THE THINGS THAT MATTER

A REPORT OF YUKONERS' VIEWS ON THE FUTURE OF THEIR ECONOMY AND THEIR SOCIETY

YUKON · 2000

Building the Future

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Minister's Message

September 1, 1987

As YUKON 2000 moves into its final phase, we should derive satisfaction from the progress made so far on the Yukon Development Strategy. We've come a long way from that first workshop at Faro in June of 1986. This report on our consultations with Yukoners makes this plain.

We now have major areas of agreement on the economic future of the territory and many good ideas and practical ways to achieve the goals we've set for the Yukon. But it is clear the work on YUKON 2000 is not yet complete.

We have a vision of where we are going. But it is not yet fully defined. Many have asked for time to review and reflect on the findings so far. Some want a say in the implementation of the Yukon Development Strategy. In response to these requests, YUKON 2000 staff will conduct more community meetings this fall, and the government will hold a workshop to address remaining issues, including the key questions of implementation.

The report you are receiving now has three parts:

1. **Introduction** — explaining the YUKON 2000 process;
2. **Summary** — describing the major themes that have emerged from listening to people; and
3. **Review of findings** — the largest section, bringing together the ideas raised for each industry, such as tourism and forestry, and for each support area, such as finance and training.

In short, we are still listening. Over the fall, my ministerial colleagues and their departments will look at what we need to do to implement the development strategy. And where we are confident there is general agreement, we will begin to act. The Yukon Development Strategy itself, incorporating our research, public opinion and our government commitments, will be published in the new year.

Thank you again for your help in shaping the Yukon's future.

Tony Penikett,
Government Leader

The Things That Matter

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Introduction

From the beginning, YUKON 2000 has taken a broad view of economic development. It has encompassed processes that affect the economy in a fundamental way. It has sought to look beyond the issues specific to individual industries, groups, or regions. It has involved rural and urban residents, men and women, Yukoners of all ages and races, Yukoners active in a variety of industries, and Yukoners involved with voluntary organizations.

What has been done?

The first YUKON 2000 public consultation took place in Faro in June, 1986. The 60 Yukoners, representing key economic groups, discussed the major factors influencing economic development in the territory. The participants hoped that the Yukon would achieve four goals by the year 2000:

1. Ensure that the Yukon is a desirable and worthwhile place for people to live and work, so that they have the **option to stay** here. Given this, economic development should concentrate on opportunities which are

secure and stable and which enable people to support themselves. The first priority should be development directed at those who have already chosen to make the Yukon their home. In order for the option to stay in the Yukon to be meaningful, people must be able to meet their needs throughout the territory.

2. Development must support an **acceptable quality of life**, as Yukoners themselves choose to define it. Therefore, one part of this goal must be individual freedom to make choices. Quality of life addresses material well-being. For some Yukoners this will be achieved through good wages. For some it will be through fair returns on capital and time invested. For others it will mean the continued survival of non-wage lifestyles and access to renewable resources.

Quality of life also has social dimensions. Yukoners want and deserve public services which are consistent with national standards.

As well, the Yukon's unique wilderness is an integral part of our quality of life. Economic development must be compatible with the lifestyles we have chosen.

3. Poverty exists in the Yukon today. It is particularly prevalent among some groups: women, Indians, the young and the elderly do not have access to economic opportunities on equal terms. There is widespread agreement that we must work towards **equality of opportunity.** How we can best ensure economic fairness is a complex question that has generated much discussion.

4. Yukoners want and intend to have greater **control of our future** — including future economic development. Control will never be complete; there are many external factors affecting development possibilities. But taking control means that old ways of dealing with external forces should be examined and improved to bring more benefits and decision-making to Yukoners. Without isolating the Yukon from the country and the rest of the world, we must find ways to supply more of our needs: energy, fuel, and building materials, for example. Greater community control through devolution and decentralization is also an important dimension of this goal.

These four goals have received endorsement throughout the entire YUKON 2000 consultation process. As people addressed these goals, their common concerns emerged:

- Diversity and flexibility,
- Self-reliance,
- A mix of economies,
- Indians in the economy,
- Women in the economy,
- Responsible use of resources,
- Community development, and
- Local participation.

These themes are described in the next section of the report.

Consultation with industry is one of the three main components of the process. In the fall of 1986 and the spring of 1987, a series of industry

workshops was held, attended by Yukoners involved in or concerned with each industry. The reports from these meetings focussed on how development can be encouraged. Each report includes many general and specific ideas about how we can best deal with the opportunities and problems faced by various industries.

The second main component of the process has been a series of studies into areas which affect all economic development in the territory — the economic environment in which people, businesses, and communities operate. This work has examined the concerns, discussed where people want to go, and made recommendations on how to get there. The changing structure of the economy and the resulting change in roles for government, industry, and others active in economic development were discussed. These studies included:

- The development of human and natural resources;
- The need for financial resources;
- The need for science, technology, and information resources; and
- The supports or infrastructure necessary for development to occur.

These reports have generated a great deal of discussion across the territory. They were discussed at the fall conference, in community meetings, with industry, with special interest groups, and at public meetings on each of the six economic environment topics held in Whitehorse during the spring.

The third main component of the of the YUKON 2000 process has been consultation with communities. Our staff met with elected officials — mayors and municipal councillors, chiefs and band councillors — of both rural and urban communities as well as community members at large. In the majority of the communities, there were several YUKON 2000 meetings held over the past winter. Interest in the project grew as people gained more information and knowledge about economic development in general and this strategy in particular.

Two hundred people attended the YUKON 2000 fall conference held in Whitehorse last November. Participants represented industries, urban and rural communities, government and special interest groups. The agenda for this conference was a very broad and ambitious one, addressing participation in the economy, the economic climate, and the allocation of our natural resources. A number of people at the conference said they needed more information about basic economic issues if they were to participate fully in the process.

The YUKON 2000 process responded to this concern in several ways. In April, a workshop on women and the economy was conducted in Haines Junction. In June, a workshop on youth and the economy took place at Lake Lebarge. As well, special interest groups were encouraged to continue participating in meetings in order to continue the two-way consultation process — educating themselves about economic issues and educating others about their members' concerns.

What does it mean?

The YUKON 2000 process has proven to be as important as the strategy that will result. Yukoners are interested in economic development issues and want to continue to be informed and to advise government. Throughout the territory, people took time from their busy lives to meet and discuss their concerns about economic and community development and to describe their dreams for the future. YUKON 2000 cannot be a cast-in-stone strategy or a rigid plan of action. Instead, it is the first stage of the development of the territory's people, communities, and economy in a way that reflects our individual and joint aspirations. Many, including women's groups and Indian organizations, have expressed a need for more time to think and debate in order to contribute meaningfully to a development strategy. YUKON 2000 provided people from many different backgrounds with an opportunity to meet and discuss issues of common concern and, as a result, to have a greater awareness of mutual interests.

Throughout the past year, people have expressed their views on a number of topics basic to the economic development of the territory, their individual communities, and their industries. There has been consistent agreement with the four initial goals for a Yukon development strategy. There has also been strong agreement with the broad approach to economic development that has been undertaken. In attempting to work towards consensus, general agreement has been sought on issues. A reading of general agreement has been made where consistent themes or messages have been heard from the many meetings held with industry and community representatives, with voluntary and special interest groups, and with workers and individuals.

These themes form the basis of this consensus report and will serve as a guide for further discussion as we proceed with the development of the actual strategy. Businesses, employees, government, community councils, band councils, and citizens will need to examine these major messages, to ensure that such a strategy will reflect the goals and aspirations of the people who live here.

Where clear agreement was reached, the Government has resolved to implement new programs and actions. However, the process has moved from driving government policy and actions only, to examining broader directions for economic development which could be implemented by others concerned about development, including industries, communities, interest groups, and others.

Where is it going?

The economic development strategy will define a strategic plan, one which can be updated periodically. It will be flexible and responsive, rather than static and rigid, allowing for continuous consultation and changes which cannot yet be predicted. The YUKON 2000 consultation process has confirmed that Yukoners want to continue to be consulted about economic and community development. They want to have access to information about development issues which is understandable and practical, and they want to see actions from this consultation. The process needs to continue to be a two-way process — with information coming from the Government to Yukoners and from Yukoners to the Government.

The discussion of these actions, the weighing of alternatives will have to continue, and responsibility for implementing these actions will have to be shared. A number of communities and groups have requested more meetings and consultation about the economic development strategy. People want to express their concerns and see action taken. While they realize everything cannot be done at once, they have said they want to see clear priorities set and different needs reconciled. Many ideas are reflected in this paper. Most Yukoners do not want government to be solely responsible for development policy. A healthy development strategy will outline and will support roles and activities for all — individuals, communities, industries, interest groups, employees, bands, and governments.

The strategy will be published in early 1988. The core of the strategy will be this consultation report, and it will focus on development across the Yukon. It will also contain a government response and a statement of our strategic intentions. As well, possibilities for action by others, particularly municipal and band councils, interest groups, and industry, will be outlined. Specific recommendations for government action will be reflected in public statements, including throne speeches, budgets, and specific policies.

Many of us have thought about and discussed seriously our economic future over the past year. We have looked at our current economy, how it has been built up, the needs it has met and the needs it has not met. As with most critical reviews, it is these unmet needs and new possibilities that have received the most attention. People are concerned not so much about where we are as where we are going. Yukoners want a development strategy built on tradition, to be sure, but clearly aimed ahead, towards the year 2000.

The Things That Matter

Our views of our economy are expressions of the kind of people we are or want to be. They indicate what we value on the job with our co-workers, at home with our family, and in the community with our friends and neighbours. These are the things YUKON 2000 set out to discover as it travelled around the territory last year.

Despite its sparse settlement, the Yukon is a tightly-knit community. In virtually all of our discussions, Yukoners have spoken of their involvements with others — with business people, workers, unions, Indian organizations, politicians, public servants, educators, development associations, voluntary organizations, women's groups, local government, youth groups, and many others. Clearly, Yukoners take a strong interest in their community and their future.

We have listened carefully as people have expressed many different points of view about the nature of our economy and society. We have noted the concerns between local, territorial and national governments; between Indian and non-Indian people; between competing users of public resources; and between people and government. But for all of their differences about what specific social and economic actions the Yukon should take, Yukoners appeared in broad agreement on one point: the need for a

practical strategy that rises above narrow interests and pursues both individual and collective economic opportunities.

Small business operators, their associations and many other Yukoners proposed ideas to stimulate enterprise and to improve the local and regional benefits from large development projects. They expressed a high degree of confidence, commitment and determination in the ability of the private sector to play an important role in building the Yukon economy. Alongside these proposals, many voluntary and non-profit organizations suggested new forms of co-operative institutions and public services that would improve the economic prospects for many people.

These and other ideas were presented by members of our community, reflecting a common faith in the potential of Yukoners and our ability to meet the challenges of the future. While the future may be largely unknowable and, therefore, uncertain, people across the territory feel there is much we can do to reduce the economic uncertainties we face. Reduced earnings, unemployment, underemployment and poverty are conditions that many have experienced. We have also learned to draw upon many of our inherent strengths and those of our economy to adapt to altered economic circumstances and persevere during economic downturns.

Many Yukoners have spoken of the need to better appreciate these strengths in setting goals for the future. In part, this requires all of us to better understand how we can contribute to the economy and how, in turn, it can contribute to our lives. Our social needs and values — the level of well-being we desire — determine our economic goals. The home life that we cherish, the cultural traditions to which we hold fast, the personal freedom and dignity we value, and the sense of support and belonging we derive from our families and communities — these are the sources of our collective strength, energy and initiative. These are the things which we want our economy to offer in the future.

In this same way, when Yukoners speak of development, we refer not just to our ability to open new economic options, but to our capacity to improve the quality of all aspects of our lives. Thus, for many, "development" means improving all aspects of our lives, both on and off the job, it means better use of the goods and services we produce and consume, and, it means caring for the environment in which we live and work. Such a vision of development goes beyond the narrow goals of economic growth and the accumulation of wealth.

In addressing both our common task and our private plans, people identified two basic values: we must maintain and strengthen the best of our traditions and social organizations, and we must preserve and enhance personal rights and freedoms. Our adaptability to changing economic circumstances, the vitality of our volunteer organizations, the entrepreneurial spirit of our businesspeople, the united goals of our workers, the self-reliance of our rural lifestyles, the importance of our cultural diversity, and the resilience of our Indian economy — these have characterized the

Yukon in the past and will be our strength as we pursue our goals for the future.

During the past year, Yukoners repeatedly sent out a challenge to create a set of conditions that will reduce the economic uncertainty we face, while increasing the economic opportunities available to us. But people did not simply send out a challenge; they made many thoughtful and provocative suggestions about how, through common enterprise and individual effort, such a future could be realized. It is these ideas — and the common themes they reflect — that require our attention and action.

Diversity and Flexibility

In an economy that has traditionally operated on a very narrow economic base, Yukon people have shown a high degree of job flexibility, especially during hard times. For many years the Yukon has relied heavily on mining for the development of our economy. It is heartening that in such a specialized economy, individuals have demonstrated such an ability to find other employment — often temporary and seasonal — through its booms and busts.

This feature of our economy can be explained by our desire to remain in our communities and in the territory, even during periods of economic hardship. It also suggests, as many Yukoners have said again and again during Yukon 2000, that there is an underlying character to our economy that is often unrecognized, hidden in the shadow of mining and government. Many Yukoners are involved in more diverse economic activities than formal statistics suggest. Many of us work in small businesses, cottage industries, household production and subsistence activities for a few months at a time or throughout the year, demonstrating a high rate of movement in and out of the work force, as our economic circumstances or interests change. It means turning to occasional wage work to provide a necessary supply of cash for subsistence activities and then to hunting and fishing to reduce the need for wage employment.

Seasonal work, spells of unemployment, a high rate of mobility in the work force — these are often viewed by southern Canadians as negative features of an economy and barriers to development. Yukoners hold a different view: occupational flexibility should allow us to maintain our quality of life and to remain in our communities when the attention of government and developers goes elsewhere. Far from being a barrier, this flexibility has often been a source of strength — an assertion of individual initiative in a larger economic environment. It has produced more economic options. It has held some who have lost jobs in the hard times and offered them greater employment opportunities in the good times.

In an economy that favours adaptability, the measure of economic well-being and success is not simply an industry's contribution to the

gross territorial product, but the jobs it can provide our workforce when they are needed. Yukoners have said that this condition can and should be strengthened. Our institutions — governments, band councils, labour organizations, private industry and others — assume an approach that supports and encourages this feature of our economy. Necessarily, this means a more diversified economy which encourages those areas of economic activity often ignored. It means more small-scale developments aimed at local markets, more local initiatives to meet unique local requirements, and more recognition of the importance of non-wage work.

In the process of settling land claims, Indian people and government are creating new institutions and re-organizing existing ones. These institutions face the task of providing individuals with the means to bridge different economies — those traditional and those industrial — to participate as fully as they choose in each.

The number of young people seeking work now exceeds the number of jobs available to them. Such a situation requires government, industry and other organizations to encourage youth employment initiatives, especially those which provide training for future job opportunities.

The needs of women also require special attention. Many Yukon households now have two income earners, sometimes out of choice but often out of need. In other households, tough economic times — which have substantially reduced the number of high-wage jobs traditionally filled by men — have resulted in more women seeking wage employment. In others, where women are single parents, it is vital that they have the opportunity to support themselves and their families. Whatever the reason, more women are working in the wage economy. Such changes, and the uncertainty they often entail, clearly indicate the need for increasing the flexibility of work arrangements so that Yukoners may maintain stable households and steady sources of income.

Fundamental to a flexible and diverse economy is a well-informed and trained people. This places a special challenge before private- and public-sector employers. If we want a skilled and committed work force, government and industry will need to develop innovative employment schedules. As we have seen in the past, Yukon people want employers to offer the kind of flexibility that historically has characterized our work lives. They will also need to assume new roles and responsibilities — along with other community organizations — in the training and education of their employees. This means overcoming restrictive hiring practices that limit the participation and flexibility of some Yukoners in the work force. This means support for on-the-job training for those who require up-grading to meet acceptable skill levels. This support is necessary if we are going to fill more local jobs with local people. and reduce the export of Yukon jobs to "outside" experts. Clearly, this asks of our governments, businesses and other organizations a willingness to contribute more to the development of a skilled and diversified labour force.

Flexibility also requires government to carefully control its intervention in the economy, and to study carefully whether an institutional solution is appropriate to each economic problem. In certain economic circumstances, interventions by the government and large corporate institutions have resulted in "quick fixes" that do little to alleviate the long term dependencies of people or to increase individual initiative.

Individual self-respect, pride, and initiative flourish when workers with a variety of skills and abilities can pursue a diverse range of jobs for which they are fairly paid. The result is a more self-sufficient community as well.

Self-reliance

The ability of Yukon people to weather adverse economic change and to capitalize on new opportunities has much to do with our self-reliance. In the past, we have witnessed many examples of Yukoners as true optimizers — doing a lot with a little, in spite of limited job opportunities, remote markets and poor financing.

Between 1982 and 1984, when a dramatic decline in base metal prices threw the Yukon economy deep into recession, many of the territory's small businesses successfully scaled down their operations and made new working arrangements with their employees. Some were able to explore new local markets and offer new services. Others took advantage of a low Canadian dollar and an increasing number of tourists to serve that market. During this same period, many small operators continued to explore and produce gold and silver. They did so with little government support and, like their small business counterparts, demonstrated the character of small-scale operations in a difficult economic climate.

What had, therefore, originally been perceived as a major, possibly fatal, blow to the economy became, in some cases, the impetus for a positive restructuring. We have learned some lessons from the past. Now, in 1987, we have a considerably expanded tourist trade as well as a much revived mining industry. Appropriately, much effort has been expended by senior governments to bolster these two sectors.

Perhaps even more vulnerable to world trends than mining or tourism is the fur industry. Trapping has always been liable to the whims of fashion. More recently, the territory's trappers have been faced with powerful international lobbies determined to curtail trapping and promote animal rights. Despite these outside forces over which they have little influence, Yukon trappers have mounted their own lobbies while struggling to maintain their way of life.

The efforts of these people, institutions, and businesses demonstrate a degree of self-reliance that is often surprising given our vulnerability to outside forces. In YUKON 2000 meetings throughout the territory, many

called upon government to recognize and respect this hardiness as a distinct and important feature of the Yukon economy. These consultations have indicated that self-reliance — the ability to adapt to various economic conditions and the determination to persevere — may do more for our long-term development than will large institutional interventions.

The independence of Yukon people is not merely some outdated notion associated with the passing of the frontier, but a real condition that wise leaders can foster and build upon. But it requires government to recognize that its own role is a limited one and that it must, when evaluating a new program or new law, proceed cautiously. It would be an historical insult to Yukoners who have developed a large measure of self-reliance during hard economic times, to now face a series of government programs that eroded these qualities. Government, according to many Yukoners, will be genuinely helpful to the extent that it encourages this inherent quality.

This can be accomplished in a number of ways. The success of local solutions to local problems is strong evidence of the innovation and knowledge of our residents and the resources that they can draw upon. These local soluntions are also an indication of the benefits that flow from decisions made at the community level. The residents of our communities well understand the economic opportunities and constraints they face. They also know the kind of economy they want to create and maintain. Increasing the decision-making capacity of local governments would, therefore, better equip them to tailor development projects to their own requirements. Similarly, the transfer of responsibility for the management and development of our natural resources from the federal government would better enable the Yukon Government to meet regional needs as well as those of specific communities.

The self-reliance that has so marked individual Yukoners' efforts in coping with economic adversity is a strength to build upon if it is encouraged. Yukon people have told us that by better understanding how communities, businesses, and volunteer organizations depend on each other, government can reduce the Yukon's overall dependency on outside market forces. Many felt that improved cooperation among government, business, unions and community organizations will strengthen our own collective resources and increase our self-sufficiency.

A Mix of Economies

The northern economy is often characterized as an industrial and a non-industrial economy standing side by side. The industrial economy is viewed as a profusion of small businesses waiting for the discovery of the next Klondike or Faro motherlode or Beaufort Sea gusher. This collection of small service industry businesses and multinational mega-projects is viewed in marked contrast to hunting, trapping

and fishing activities which are misunderstood as the pastimes of a largely unemployed and economically marginal people.

Most Yukoners who spoke to us have a very different view of their economy. It encompasses diverse activities that require us to reconsider our ideas of economic value and worth, and the social costs and benefits associated with development. It asks us to consider an economic picture that is much more complex than the one that is often painted by developers and government officials. It suggests that by promoting a broader mix of economic activities and the economic value of many of our social activities, Yukoners promote the flexibility, diversity and self-reliance which we consider so important.

The view of the Yukon economy as little more than a small population participating in service sector activities principally serving the mining industry owes much to the popular mythology of the gold rush inspired by the tales of Robert Service, Jack London and Pierre Berton. This view of the Yukon economy is reinforced by measures of economic success that have, in many respects, little bearing on the social benefits that Yukoners desire, the work that they find meaningful and the environment in which they wish to raise their families. The gross territorial product as an indicator of economic performance does not take into account many of the things that Yukon people consider important: the value of non-wage work, household production and voluntary activity; the depletion of renewable resource stocks and damage to the natural environment.

Yukoners have told us that our economic programs and strategies must reflect our social needs and purposes — not the reverse. By this standard, what are often considered "social" concerns take on economic significance. Economic growth must be linked to a sense of self-fulfillment and respect. Some have called this "economic development as if people mattered."

The range of activities that Yukoners have described to us as economic is really a mix of sub-economies. It includes resource-based industries, small service-sector businesses, non-wage household production, volunteer services and government activities.

We were often reminded by people of the important role the private sector, and small businesses in particular, have occupied in the Yukon's development. Sometimes private business risked its own venture capital to develop roads, facilities and services that provided social benefits to communities in areas where government support was absent. It has adapted to changing economic demands and offered Yukoners throughout the territory a source of cash income. The emergence of a growing and substantial tourism industry provides people throughout the territory with summer work that allows them the flexibility to take advantage of other economic opportunities during the rest of the year.

The mining industry is recognized by many Yukoners as having played an essential role in the territory's economic development. In the past, it has

accounted for as much as 40% of the gross territorial product. In the five years prior to 1981, it created up to 1,400 direct jobs annually in the territory. Even today, as the industry recovers from one of the most uncertain periods in its history, it accounts for 12% of the Yukon's income.

The contributions of the mining industry cannot be measured in direct benefits alone. Historically, it has supported many of the Yukon's small businesses in the service and transportation sectors. As the Yukon's largest private industry, it is responsible for the birth of some of our communities and the development of much of our transportation system. However, the decline in world base metal prices in 1982 and the resulting reduction in mineral exploration and production demonstrated the vulnerability of this established industry. At the same time it demonstrated the importance of our small precious metal operations. In 1985 these small, often family-run, operations accounted for a full 75% of our income from mining, thus reminding us of the benefits of a diversified industry that is capable of withstanding the impact of external shocks.

Clearly, mining will remain vital to the stimulation of investment and enterprise in the Yukon's wage economy. And, as the Yukon's most direct link to international markets, it will continue to offer established trade relations from which other businesses can benefit. The recent recession, though, has led many Yukoners to look beyond mining to other industries to create local benefits.

Many Yukoners have called attention to the importance of the non-wage economy. They have emphasized that what is economic is not necessarily commercial or monetary and that wage income does not always produce a net benefit to our society as a whole. Our economy is not simply what we produce, but how we produce it. It goes beyond the sphere of private industry and government. Goods and services are produced not just by businesses, but by individuals, households and community groups. On a largely informal basis, voluntary associations and households use and exchange these goods and services for their own benefit or their community's.

Many of our communities clearly indicate that the "household" is both a producer and a consumer. In areas and periods of limited wage employment, our households provide a measure of self-sufficiency that allows us to maintain ourselves and remain in our communities. For others, it is a preferred choice that allows some people to maintain a traditional lifestyle where the family is front and centre as a source of production.

The subsistence harvesting of fish and game for food allows some families to be largely self-sufficient. The home manufacture of clothing and the construction of log or frame dwellings further reduce the cash requirements of many households.

Similarly, the role of the family in our economic life goes beyond production and consumption. Its value also lies in the informal education

and training of our children, which can instill a special sense of "place," the knowledge of what is worth striving for, and skills useful in adapting to changing demands and circumstances. The family also transmits our cultural, social and moral values.

Voluntary organizations are an important part of the Yukon's non-wage economy. They provide services that we often take for granted. Each year thousands of hours of work are donated freely by Yukoners providing volunteer services. Such activity also reminds us that "meaningful work" encompasses something much broader than wage employment and is poorly understood when full-time volunteers are considered "unemployed" or "not working." Voluntary organizations are significant actors in the Yukon's economy. They offer rapid, flexible, sensitive responses to social and economic problems and issues of public policy when private industry or government is slow to respond or forgetful of public concern. For most of our communities, they strengthen local self-reliance.

It is this "mix" of economic activities that is basic to the flexibility that our economy has demonstrated in responding to change. None of the elements is wholly independent from any other. This fact explains the high level of mobility, for instance between the non-wage and wage sectors, and a certain dependency between them.

The interdependence between the various elements of the Yukon economy are further seen in the cash income people require for consumer goods and the purchase of materials for home production. Similarly subsistence harvesters of fish and game require cash for the purchase of fuel and equipment. But in both instances, these essentially non-wage (household) producers require a source of cash income that will not seriously disrupt or remove them from non-wage production by requiring an inflexible commitment of time. There is no benefit if there is a loss of wealth in moving from a non-cash activity like hunting for subsistence or building one's own home to a wage activity that doesn't pay enough money to buy food or a home for one's family, or allow enough spare time to do it oneself.

Changes to the parts necessarily produce changes to the whole. For this reason Yukoners have urged government to act in a way that strengthens the balance between our small businesses, resource industries, non-wage activities and government itself. It is important for government as an influential element in our economy to act with care and sensitivity — not simply with respect to strengthening the balance of these other elements, but in recognizing the impact and limits of its own involvement.

Government is more than a regulator, tax collector, provider of services and lender of last resort. Labour has reminded us that more than 40% of the territory's jobs are in government. As well, it is a key resource for promoting economic development: for encouraging small business, for promoting resource industries, for encouraging local self-reliance. This is itself economically important to many: it means jobs building roads,

constructing buildings, providing health and social services, and providing technical support, training and capital assistance.

Many view government as a powerful tool for maintaining the Yukon's mix of economies so that work remains meaningful, jobs are continually created and viable businesses continue to emerge. This type of economy has inevitable differences and conflicts including competition for labour, capital and land. Yukoners expect government to promote new forums for resolving these differences thoughtfully and fairly.

Yukon people have also said that social policies are not secondary to economic ones. Income distribution, employment creation, housing, social security, the well-being of family, neighbourhoods and communities are important considerations in the development of the Yukon economy. Yukoners expect their private and public sector institutions and organizations to remember this.

Indians and the Economy

Many of those who spoke to us referred to the importance of Indian people in the Yukon economy. At the same time, it was often acknowledged that the nature of Indian involvement was poorly understood by many individuals and by government and industry.

Indian people have faced dramatic changes in the economic environment. In adapting to frontier developments, new institutions, and new economic relationships that altered their society dramatically in as little as a single generation, Yukon Indian people have displayed flexibility, cultural continuity and self-reliance.

Much as non-wage economic production has been obscured by the presence of the industrial economy and the prevailing myths attached to the gold rush, so Indian economic activity has been frequently ignored and misunderstood. As a result, Indian economic activities like subsistence hunting and fishing are often viewed as marginal to the industrial wage economy. Similarly, when they are not engaged in wage work, Indian people are often labelled as "unemployed." This approach has prevented the understanding of the Indian economy on its own terms or of its relationship with other elements of the Yukon economy.

Many people recognize the need to better understand the Indian economy as a significant and distinct component of the Yukon economy. Characterized by a unique social organization, it serves a set of needs that are different from those of other Yukoners. By reflecting native cultural traditions, particularly those that relate to the use of land and resources, this economy sustains a large number of people and is the basis for organizing a wide range of economic activities.

After 14 years of negotiations towards settlement of the Yukon Indian land claim, many Yukoners agreed that the Indian involvement in land and

other resources will be a key to reaching our true development potential. This involvement will be achieved through three processes: land claims, Indian self-government and devolution of programs to local levels.

Discussions of Indian rights, land claims, self-government, and the management of new government programs suggest many ways in which new political rights and responsibilities will be acquired by Yukon Indian people. Through these political rights, they will gain a greater degree of responsibility and new opportunities to build and extend the Indian economy and thereby strengthen and stimulate the whole of the Yukon economy.

The continuity of Indian cultural traditions and the strength of their political institutions alone is not enough to sustain a distinct Indian economy or support the development of its full potential. For this reason many Yukoners want to better understand the Indian economy as a distinct and important feature of the Yukon's economic mix. The full potential for the Yukon Indian economy and the Yukon economy as a whole cannot be realized without the involvement of Indian people. The success of each will rest upon the extent to which Indian people are involved as full and meaningful participants in Yukon economic life.

Women and the Economy

Yukoners agree that equality of opportunity and treatment are basic conditions of both a democratic society and an economy that values and encourages participation. Many people spoke to us about the role of women in the economy today. They would like to see the value of women's many roles recognized in an economy that now, for the most part, values paid work over non-paid work

A greater proportion of women in the Yukon work for wages than in any other part of Canada, some by choice and others by necessity. Yukon women, whether single, married, separated, with or without children, Indian or non-Indian, all recognize that their role in the economy is much greater than suggested by their wage work alone. Women form a substantial proportion of the paid workforce, but they are also very active in the household and volunteer sectors. As stated earlier, Yukoners repeatedly identified the contribution that these sectors make to our quality of life.

For Yukon women, the key to their increased participation on the one hand, and recognition of their present contributions on the other, lies in flexibility — that same flexibility that Yukoners have identified as a strength of the economy. Flexibility means balancing the demands of wage and non-wage work so women can support themselves and their families financially as well as emotionally. Flexibility means women will be less constrained in the choices that they are able to make. Without flexibility in society, women are faced with little in the way of choice and little support

for the choices that they do make. Traditional homemakers receive little support from a system that devalues their contribution to society and their families. Women who work for wages, particularly those with children, feel little support from a system that provides few options for the care of their children and a work day that does not easily accommodate their other responsibilities.

Yukoners made many suggestions for increasing the opportunities for women to participate more fully in the economy. Improved childcare services, new employment strategies, improved access to capital are some of the areas that must be addressed. Supports will be needed for women to participate more effectively.

Increased support and acceptance of women's choices by Yukoners will mean that women will be less vulnerable to conflict because they will not be faced with making "either/or" decisions about their roles. Yukoners see childcare, homemaking, subsistence and volunteer and paid work to be economic. What is needed is the opportunity to balance these roles so that we can all benefit.

The Yukon's high birth rate, the large number of children in a population that is becoming increasingly younger, the growing number of young adults looking for work, the increasing number of women employed in wage work, the social interest and economic need in many Yukon households that has produced two-income families, the increasing number of men working in the home — all of these changes have put new and increasing demands on Yukon families and the institutions they depend upon. Working parents require more flexibility to balance the demands of family life with those of the workplace. Occupational mobility is more difficult to achieve when two working parents must balance their job commitments, career interests, employment prospects and volunteer involvements.

We are reminded by many that these issues and their possible responses affect all Yukoners. Our success in addressing them individually and collectively, whether we work in business, government, voluntary groups or at home, will affect not only Yukon women and Yukon families, but also our chance to strengthen a contribution that benefits all of us.

Responsible Use of Resources

The Yukon's natural resources are the basis for much of our economic activity and fundamental to our identity as Yukoners. As miners, prospectors, loggers, people who hunt, trap and fish, canoeists, hikers, photographers, craftspeople and small business operators, many of us rely upon the Yukon's land and natural resources.

Virtually all the Yukoners we met with recognized the importance of these resources and voiced their concerns for the future of our resources.

While opinions differed on the allocation of the territory's land and water resources, Yukoners spoke with one voice in calling for their wise and responsible use. At stake here is a common interest in maintaining a level of environmental quality that allows people to enjoy the country in which they live, a desire for stable economic growth from the development of our non-renewable resources, and a desire to see our renewable resources used in a sustainable manner.

Many difficult issues must be dealt with prior to future resource development. We must judge the direct and spin-off benefits of new resource developments and the secondary developments that they spawn. And we must weigh them against the direct and secondary impacts on a region, a community, traditional and recreational users, and an array of other public interests. These are matters not easily understood or quickly resolved. In a territory of almost 500,000 square kilometres and population less than 30,000 people, our resources — as many myths of the northern frontier suggest — seem limitless. Most Yukoners know, however, that despite a geography dominated by wilderness, the various interests often produce conflicts and competition for our lands and resources. In fact, the heated debates over the existing and future allocation of resources that have so often arisen in the Yukon suggest that the territory's resources are distinctly finite.

Yukoners have said they want to participate more in the management of our resources, to assume a larger voice in the decisions that will be made about the use and allocation of these resources. This means greater responsibility for the territorial government in the management of our lands and forests, inland waters and fisheries, and mineral and oil and gas development. But equally importantly, it also means greater local input into the management process and into the decisions which affect our communities and the resources around them.

Government must be prepared to address the barriers and constraints that have limited this involvement in the past. For too long, many Yukoners, especially in our rural communities — often with a lifetime of experience trapping, hunting, and fishing — have been on the margins of resource management. Their knowledge and experience, when it has been sought, has often been given poor consideration because they don't possess professional credentials. It will require a significant change in attitude and approach if these people are to have a meaningful involvement in resource management. Organizations like the newly created Porcupine Caribou Management Board offer an example of what can be done to move effectively in this direction.

In resource management the criteria for success will ultimately rest upon the very things that Yukoners want to achieve: the sustainability of their renewable resources and the measured use of their non-renewable resources. Given the complexity of the Yukon's economic mix and the range of interests competing for our resources, decisions must be clear and

consistent in application, and fair in representation. Only then will they provide the certainty resource users require.

Community Development

During the past year, the disparity between the levels of public service and the number of economic opportunities, in the Yukon's rural and urban areas has been strikingly emphasized. YUKON 2000 participants have described — often in very personal terms — how difficult it can be to find work in our smaller communities and just how volatile and uncertain existing employment opportunities can be. And they have described the frustration of how, even after making a commitment to a community, they have often been forced to leave it to find work or to seek training.

These are the obstacles that community representatives feel can be alleviated, even eliminated, through thoughtful community planning and by involving communities in government decisions affecting local people. This will ensure a more equitable and acceptable standard of living across the territory. For many of the residents of the Yukon's smaller communities, community development must be an integral part of our economic strategy. As well, they have provided many insightful and provocative suggestions about how our communities ought to develop.

Before specific community needs can be properly addressed, government, business and the communities themselves must agree that decentralization is critical to the economic and social health of the territory's communities. To continue centralizing services in Whitehorse will only aggravate the existing disparities and further increase the vulnerability to, and dependency on, outside forces. A commitment to decentralize — both services and decision-making — is the necessary first step in developing a coherent strategy that will ensure each community can actively direct and participate in improving local social and economic conditions.

Working independently and together, the communities are well qualified to state what their needs and aspirations are. This is not to imply that they see no role for the territorial government. On the contrary, many spoke of its importance as a supporter and as a conciliator. As a supporter, government can provide funding, offer expertise, share information and coordinate services. As a conciliator, it can do much to ensure the fair or equitable distribution of resources among communities. But Yukoners have made it clear that while government can assist community development it cannot control it. For Yukon communities, "community development" is simply that: development by the community.

Participation

When Yukoners talk about "participating" in the territory's economy, they use the word to refer to two distinct but related activities. First, they take it to mean direct involvement in the economy: to contribute time, energy and sometimes capital through activities like wage employment, subsistence living, developing small businesses, arts and craftwork, homemaking and volunteerism. In this sense, then, participation is the "give and take" of economic production and consumption.

The degree to which people participate in this manner provides a basic index of an economy's state of health. At its simplest, we can measure the number of people who work for wages and come up with "unemployment statistics" — a standard measure of economic health in industrial societies. While such statistics are useful, they tend to obscure, perhaps even misrepresent, economic conditions; they do not reflect what is being done in the non-wage sectors and consequently do not give us a complete economic picture. More appropriately then, the degree of participation in the economy is the extent to which those who have wanted to participate have or have not been able to do so.

Secondly, Yukoners have also made it clear that they wish to participate in the managing and shaping of the economy. That is, they want to have a greater say in determining how and where they can best participate, best contribute, both individually and collectively, whether through wage employment, subsistence living or volunteerism, whether in a rural or urban area, whether in logging, fishing, mining, tourism, manufacturing or construction. Yukoners believe that greater participation in decision-making — at the individual, community and territorial levels — will mean increased flexibility and diversity within all aspects of the economy.

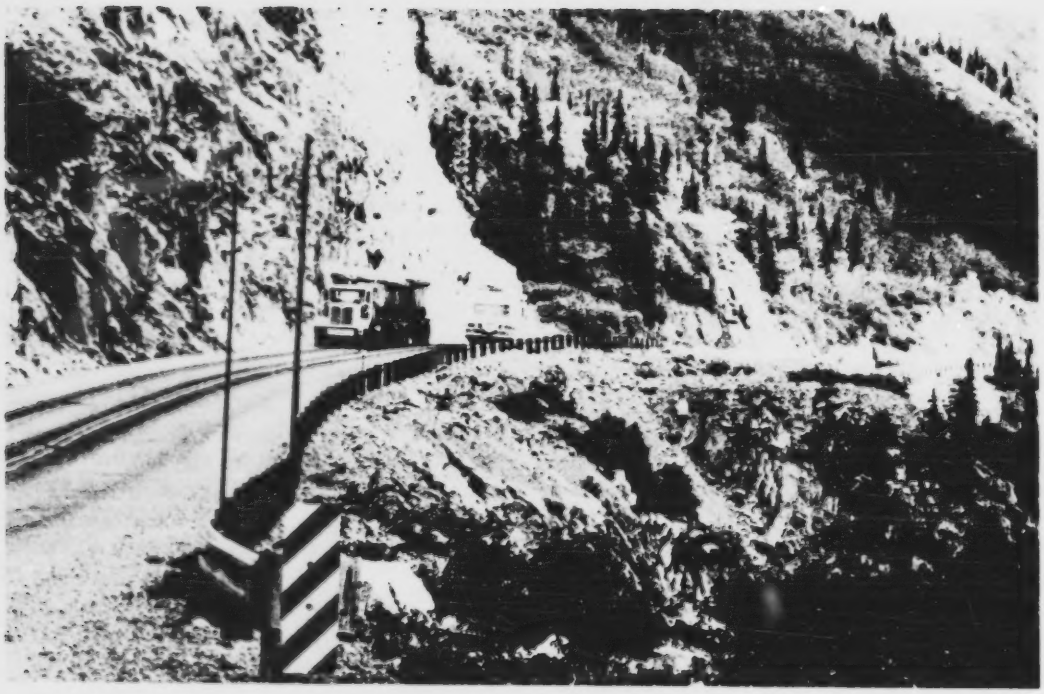
The YUKON 2000 process has, therefore, underscored the importance not only of direct work in the various sectors of the economy but in the process of guiding and shaping it. Continuing consultation and greater consensus building will do much to ensure that Yukoners will embrace and work cooperatively towards common goals.

Structure of the Economy

The setting

Like a living organism, an economy is constantly in motion: shifting, growing, contracting, developing. Usually the fluctuations are transitory, but occasionally more profound change occurs. Most economists agree that the global economy, and with it, the Canadian and Yukon economies, are currently undergoing that kind of profound structural change. Adapting to and benefitting from the new economic structure that results will be a major challenge for the Yukon in the next 15 years.

Economic predictions are difficult to make at the best of times. They are even more difficult in the midst of change, the shape and form of which are now only dimly visible. However, it is possible to pick out several broad trends that give some indications of the economic challenges to come.



The changes

Shifts in the importance of a number of industries and continuing changes in degrees of participation of groups in the economy are occurring at the international and national level. Bound to have an impact on the Yukon economy, these national and global trends and some of their likely implications are discussed below.

The service industry will boom as people have increased leisure time and continue to buy services that used to be provided within the home. The service sector in the Yukon is already the largest sector in the economy. It includes health, education and social services, business services, tourism, including accommodation, and food services. This industry will likely be the primary source of new jobs. However, earnings in this industry are traditionally low.

At present, health, education and social services are provided almost entirely by the Yukon Government, and there are some clear deficiencies in all of these services, particularly in resource management and in services for the elderly. While the Yukon Government should press the federal government for the financial resources to bring us up to national standards, the general trend towards a decline in government services evidenced elsewhere will likely affect the Yukon.

Limited growth in revenue, resistance to tax increases, and accumulated deficits are all factors contributing to this trend. Yukoners feel the devolution process should strive to bring the Yukon to national standards.

The growth of business services can be encouraged in the Yukon through value-added contract preferences, special training and on-going support for Yukoners wanting to establish small businesses, and by encouraging the use of local businesses, consultants, lawyers and accountants.

Tourism-related services are especially important to the Yukon economy. The current healthy growth of Yukon tourism can be encouraged by promoting a fuller range of tourist opportunities and attractions, and by careful marketing. Careful planning could see expansion of the industry and direct benefits for the many rural communities who wish to benefit from this growth.

Small business will continue to grow more rapidly than large business and will create the largest proportion of new jobs. Yukoners recognize the importance of small business to our economy. However, wages are generally lower and profits smaller than in large business. Access to capital is a key factor in creating a climate of support for small business development.

The transportation and communication industry will also see growth. The transportation industry will benefit from rapid increases in leisure travel. The communications industry will benefit from the use of new technology and the increasing demand for this technology from the service sector, small business and rural communities.

Women will continue to increase their participation in the workforce at a faster rate than men. Their earnings will continue to be lower, due in part to discrimination and to the concentration of women in lower-paying service industry jobs. Yukon women already participate at a higher rate than anywhere else in Canada; however, opportunities for advancement, increases in pay and options for flexibility in the work environment are all necessary for women to achieve equal participation.

As well, Indian people will continue to increase their participation in the workforce. The aboriginal economy will play an increasingly important role. The aboriginal economy is primarily a land-based economy, is heavily reliant on subsistence activities and has traditionally been organized

along different lines from the dominant economy. Community and social goals are as important as profit in an aboriginal economy, and economic activities are seasonal. Many Yukon Indians today seek to alternate between the traditional aboriginal economy and the dominant, wage-based economy. For those Indian people who choose to become more involved in the dominant economy, support must be provided that recognizes the integrity of the aboriginal economy and the need for Indian people to find their own solutions and achieve their own development. Tourism is seen as an increasingly significant part of aboriginal economic development. However, recognition and development of the aboriginal economy are important factors in the development of the overall Yukon economy and society. The aboriginal economy currently sustains a significant part of the population, and is the basis for organizing a number of other economic activities. The settlement of land claims will have a significant economic impact on the whole of the Yukon, not just Indian people. While nearly all Yukoners acknowledge the importance of the development of the aboriginal economy to the development of the overall Yukon economy, there has not been general agreement about recommendations for supporting and encouraging this development. The path will be neither easy nor painless, but the result will be that aboriginal peoples and all Yukoners will realize greater independence and a stronger economy.

At the national level, heavy goods production will continue to erode due to a decreasing demand. As a result, the metallic resources industries will also likely decline. Both fields will employ fewer people at lower wages and realize lower profits. At the territorial level, base-metal mining was the most important sector of the Yukon economy up to 1982. Many Yukoners, particularly those involved with mining, believe that mining of base metals will continue to be a very strong component of the Yukon economy, employing many Yukoners and generating significant income. Others feel that that situation is unlikely to continue, and that the re-opening of the lead-zinc mine in Faro has masked the fact that the demand for base metals is in a world-wide decline, from which the Yukon will not be exempt.

Trends show the mining of precious metals, particularly gold, through either hard rock or placer mining techniques, will likely continue to experience gradual growth in demand and long term profitability. Yukoners feel precious metal mining will continue to be a vital part of the economy.

The manufacturing industry will continue to be hard hit by international competition and changing consumer demands. Canadian manufacturing activity will decline in relative economic importance and perhaps in overall employment. Yukoners recognize that manufacturing should likely concentrate on specialty products, processing of resource-based products for export and manufacture of items such as furniture as a substitute for imports. Manufacturing will reduce some of the dollar leakage from the territorial economy. However, this industry will likely develop gradually.

Forestry offers potential for increasing employment and wealth. In the Yukon there are stands of trees which could be harvested economically, but the yield from Yukon forests is low and the regeneration rate is too slow for the industry to be highly competitive in a world market. Again, the primary role for forestry may be to reduce some dollar leakage through increased internal use of its products — for construction, manufacturing, and fuel consumption.

Agriculture has gained some prominence as a development area, but there are specific difficulties in land availability, quality and climate. Food production for local consumption should be pursued when it is economical, and this may require cooperation between government and the private sector. Small scale agricultural production, for families and community use, has been expressed as a goal of many Yukoners.

Fish and wildlife resources are already making a major contribution to the economy, for both Indian and non-Indian Yukoners. These resources need to be considered to be of primary importance to the aboriginal economy. There is some potential for the further processing of some wildlife products, such as manufacturing and fish processing.

The construction industry is directly related to growth in other industries. It therefore cannot be a catalyst for sustained economic growth. Construction activity can provide, and has provided, a stabilizing influence during economic downturns. Through preference for Yukon "value added" construction projects, the contribution this industry makes to the economy can be maximized.

The trades industry is comprised of retail and wholesale trade. Yukon retail trade has been fairly active and will likely continue to be. Retail growth is primarily dependent on access to capital. Wholesale trade has been owned and operated from outside the territory. Through the encouragement of Yukon-owned and based wholesaling, the territorial economy can benefit from increased jobs and income. This can be facilitated by better access to capital and local procurement policies. The major focus for wholesaling should be on provision to government, mining, accommodation and food services businesses, not to the general consumer.

How we deal with the changes

In order to deal with and benefit from these changes, we need to anticipate changes and prepare for them. Although many changes originate outside the Yukon and seem to be beyond the power of Yukoners to control, we do have some capacity to change from within and to shape the Yukon's economy to serve all Yukoners better.

Before choosing a road, it's a good idea to decide where we want to go. In the course of the Yukon 2000 process, Yukoners have made this decision in the shape of four major goals: the option to stay in the Yukon, control of our future, equality of opportunity for all Yukoners, and an acceptable quality of life. These goals are ideals that help us to define the society we want to build. How to build that society through development of the economy is the next step.

The first and most important consideration is the degree to which Yukoners can and should try to shape the economy and the means that can be used. The forces generating the changes in the structure of the economy have their roots in a vast array of market forces. Although some are internal to the Yukon, many of these forces are national or international in scope. Trying to work against them can be frustrating and potentially dangerous. Market pressures generally determine the viability of economic activities, and defying these pressures is usually expensive and often futile. Most Yukoners support the concept of a market-driven economy.

Market pressures are accompanied by opportunities. In building a secure future, it will be important to respond to market pressures and to take advantage of any market opportunities that have the potential to yield real benefits to Yukon people and the Yukon economy. On its own, the market will generally weed out economic activities that won't pay off while activities that recover their costs will generally be self-sustaining. These latter economic activities have a good chance of providing a secure base for building the future.

There are, however, cases where government involvement and assistance in the economy are desirable and can help to achieve our economic goal. Over the next years, the challenge for government will be to determine where, and to what degree, to intervene in the economy. The realization of future economic potential will likely be dependent on a sound mix of responding appropriately to market pressures and opportunities, and on government involvement and assistance when real benefits in achieving economic goals are promised.

The most fundamental economic objective is to increase job opportunities for Yukon residents. Without jobs, young Yukoners will not have the option to stay in the Yukon. Without increased job opportunities, the provision of equal opportunities for other groups of Yukoners — Indian people, people with disabilities— is not likely. If they can't participate or afford to stay, the other goals become, for these Yukoners at least, meaningless.

Job creation should not be pursued uncritically. Job creation must provide long-term, sustainable employment, rather than short-term jobs. When undertaken in areas with long-term employment potential and linked with training and education, the public investment in both the job and the training will provide a considerable long-term payoff. Rural Yukoners and Indian bands particularly emphasized this point through the consultation process.

Development must aim at economic diversification in order to increase opportunities and induce greater stability. Diversification needs to take place carefully, in areas that offer maximum sustaining benefits. As well, diversification must take place throughout Yukon as well as within industries. Government assistance should be directed to areas that offer the greatest economic benefit to the region, and economic benefit should be determined in consultation with Yukoners. For many people, this type of economic analysis must include evaluating social benefits and costs as well as straight dollar economic benefits and costs.

All individuals and groups in Yukon society must have the opportunity to participate in the economy, in making the decisions, and reaping the rewards. A society cannot be considered to be developed to its full potential if some people or communities have only weak political, social and economic linkages with society as a whole, and where some are highly dependent on others for their material and social well-being and sense of identity. This change is one that has generated a great deal of discussion over the past winter. For many Yukoners, the notion of assisting certain groups or individuals to participate is seen as interfering with the market. However, for many other Yukoners, including members of Indian bands, women's groups, young people, and disabled Yukoners, this is a change that is long overdue. Members of these groups are anxiously anticipating fuller participation in the Yukon economy. Further discussion on this change, in an open and committed manner, is required for all Yukoners to reach general agreement on how to develop our economy in such a way that no group is overly dependent on any other group. Economic development is inextricably linked with social development, which is incomplete unless everyone plays a part.

Human Resources

The concerns

The economy is not a creature with a life of its own, although it is often discussed and analyzed as if it were. Rather, a society's economy is the collective economic activity of the people in that society. It is about work — the work people do, the benefits of that work and the work that is created from those benefits. The people of the Yukon are both the territory's major economic resource and the ultimate reason for its economic existence. Yukoners themselves are the key to creating opportunities and driving economic development. Economic development, therefore, is all about people.

Over the course of the YUKON 2000 consultations, Yukoners showed they understand the vital link between economic development and human resource development. Papers on human resource development triggered lively comment from the whole range of YUKON 2000 participants — industry groups, municipal councils, band councils, community members and members of volunteer groups. Discussions on training, community development and Yukoners' participation in the economy have generated some areas of general agreement and some widely supported proposals for action.

Agreement, support and participation by Yukoners are vital to the territory's economic future. Participants in YUKON 2000 made it clear they want to take an active role in the Yukon economy. They and other Yukoners want to work together to build for the territory a durable economic base that will give economic and social stability to the people living here.

Such development will need the participation of all Yukoners and it must benefit all Yukoners. At present, some Yukoners live in poverty. Others struggle to support themselves and their families just above the poverty line. YUKON 2000 participants underlined that the territory can no longer support the economic, human and social costs of this situation. Barriers to participation must be eliminated so that all Yukoners can enjoy the benefits arising from development of the territory.No one is exempt from the threat of poverty, regardless of age, sex or race, but some groups have less than an equal opportunity to participate in economic activities.

Among them are rural Yukoners who tend to earn less than residents of Whitehorse despite facing a higher cost of living. The income difference is particularly marked in the smaller communities. In 1981, 51% of Yukoners working and living in smaller communities earned less than $10,000; only 32% of Whitehorse residents fell into that income bracket. Rural Yukoners also have significantly fewer job opportunities. However, the cost of living in most rural communities is anywhere from four to 50% higher than in Whitehorse. Many rural Yukoners supplement their incomes with subsistence harvests, but these activities do not completely make up the difference.

Significantly fewer Indian people have participated in the work force than have non-Indians. In 1981, 56.6% of Yukon Indian people, including both employed and unemployed workers, were part of the labour force. The comparable figure for non-Indians was 79.9%. In addition, the unemployment rate was higher among Indian people. Among those actually working in 1981, the average Indian income was only 53.2% of non-Indian income. However, the statistics don't tell the whole story. Although little data exists, it is thought that many Indian people are active in non-wage work, like hunting and fishing, that may not show up in the employment figures.

The number of young people participating in the Yukon economy is significant. In 1981, about 70% of people between the ages of 15 and 24 considered themselves part of the workforce, and about 11.3% of them were unemployed. The unemployment rate hides the fact that about 30% of the unemployed had been without work for over a year. It is often these youths who experience the problems and drop out of the workforce in discouragement. Other young people work in short term positions which means they will experience more frequent periods of unemployment than other age groups.

Participation by Yukon women in the economy is not a major concern since 67.2% of women are part of the workforce. However, the kind of work they do and the lack of support services have caused problems. Most Yukon women work in clerical and related fields and in the service sector. These fields tend to offer limited benefits since they are usually characterized by poor pay, low status and skill levels and little job security. Most women have few opportunities for advancement, and the shortage of support services, especially childcare, has made it difficult for women to combine home and work responsibilities.

Many people with disabilities would like an opportunity to participate in the economy. In 1986, the Yukon Disability Survey estimated there are 860 people in Yukon with disabilities and, of these, 60% are of working age. Unemployment and underemployment are the major problems facing disabled people in the work force. In 1981, the national rate of unemployment for people with disabilities was extremely high at 68%. Many of those who do find jobs perform menial tasks in the service sector. Simply getting work is important to disabled people, but the work should also be equal to their abilities.

People over 65 comprised almost 4% of the Yukon's population in 1986 and this portion will likely grow in the future. About 55% live in Whitehorse, with the remainder in rural areas. 25% of elderly Yukoners are of Indian ancestry, and a large number of them probably live in rural areas. It is important to recognize the importance of the elderly's contributions to the economy.

Developing the Yukon's human resources — its people — will help the territory reach the goals of the Yukon Economic Development Strategy. Statistics show that some groups have fewer opportunities than others. A plan to help address this imbalance will promote equality of opportunity. Existing and future economic opportunities must fall in areas where skills exist or can be developed in the Yukon. For many rural Yukoners, the option to stay includes the chance to work and live in their home communities. Development that provides long-term benefits will allow Yukoners to take control of the future. For people who have chosen to make Yukon their home, the quality of life, including work and lifestyle, is important.

Addressing the concerns

This section outlines seven basic objectives for an economic development strategy that will help develop the Yukon's human resources in a way that promotes equality of opportunity.

1. Increase the participation and opportunities for Yukoners in all aspects of the economy.

Local Hire

Choice is important to Yukoners. Increasing the number and range of economic opportunities available to people will give them more choice to take part in the economy, in the home, in the bush, as a volunteer and in the work place.

The economic stability of the Yukon depends to a degree upon the long-term commitment of its people. Many Yukoners have lived here for years and have demonstrated their commitment to the territory. It is important to reinforce this commitment and stability by developing long-term job opportunities. These opportunities should meet the needs of Yukon residents by allowing as many as possible to do satisfying and adequately paid work in their own communities.

When we use the talents of local people and businesses and keep the money they earn flowing around our communities, the territory will benefit greatly. The more work Yukon people and businesses do, the greater their income, experience and knowledge. If the Yukon is to retain an experienced workforce, preference will have to be given to Yukoners for work arising from development. Skilled workers do exist or should be trained for development projects.

The Government should make sure Yukoners are kept informed about jobs available in the civil service. It should also ensure that its hiring criteria do not screen out capable Yukoners. Job requirements should reflect the skills and abilities needed to do the work, rather than relying heavily on the level of education. Local applicants who do not possess all the skills required should be given the chance to improve their skill level through training.

Government should look first to local businesses and contractors when filling government contracts. Contracting procedures should be reviewed to ensure that Yukon firms are given special consideration. The criteria for determining eligible contractors should be clearly set out.

Private sector initiatives that benefit the Yukon should be supported. Businesses have a significant impact on the local economy when they hire locally; provide on-the-job training, especially to young Yukoners; purchase locally; and support volunteer and sports organizations.

The limited size of the territory's workforce means some skills are in short supply. Although it will take time to further develop a local skill base, the relative youth of the Yukon population is an advantage. One approach to improving the skills of the Yukon labour force is to encourage imported workers to pass on their specialized knowledge to local workers.

Recommendations

1. Replace make-work projects with job creation, keeping the focus on long-term jobs that will sustain individual workers and their communities.
2. Give priority in government contracts to Yukon contractors and suppliers who employ locally.
3. Require the preparation of human resource plans when the Government gives financial assistance over a certain level to development projects. The greater the level of financial assistance, the more employment and training opportunities should be created for Yukoners. The length of time the project is in operation should also be considered to ensure that lengthy projects benefit the local workforce.
4. Review private and public sector recruiting and hiring policies to ensure that Yukoners who possess the necessary skills and abilities are being considered.
5. Set priorities for increasing the number of trained Yukon tradespeople to replace imported workers and develop a system for transferring the necessary skills.

Training

Training is an integral part of human resource development since it equips people with the skills needed for active participation in the economy. Yukoners must be prepared for the jobs that are currently available and those that could develop from a changing economy. Training is an important part of that preparation. If all Yukoners are to benefit, training must be accessible, so courses should be offered where people are working and living.

The modern world is a place of rapid economic and social change. As a result, most people change jobs a number of times in their lives. It is important that people prepare for these changes by building skills that will enable them to adapt. Transferrable skills, like oral and written communication, can be used in many jobs and are helpful in a changing job market. Specific and technical skills that are and will be in demand allow people to fill current and future job openings. Training programs should offer the chance to acquire such skills and they should be developed quickly to respond to changing demands.

Training programs should be flexible and responsive to both trainees and employers. They should be offered at convenient places and during convenient times of the year. Flexible delivery methods, like distance education, tutoring and one-on-one sessions, could help bring the training closer to people. Those developing training programs should address the concerns many employers have expressed, including who will pay for the training

and how the time spent on training will be replaced.

Recommendations

1. Identify skill shortage areas, forecast labour demand and make this information available to the public.
2. Provide training courses through a number of agencies: Yukon College, government, bands and community groups. These courses must be flexible and practical. They should be offered on a continuous entry basis and in a variety of ways, including by distance education techniques. Entrance requirements should not be too restrictive.
3. Establish or improve support services for students by simplifying the process for obtaining financial assistance, by providing childcare at Yukon College and Community Learning Centres and by exploring options for family and rural student accommodation in Whitehorse. As well, ensure that adequate personal and vocational counselling is available locally.
4. Gear on-the-job training to existing employment opportunities to provide an incentive for taking training. Recognize the experience obtained during training, perhaps through credits or a certificate.
5. Focus on transferrable skills, including oral and written communication, interpersonal skills, core trade and entrepreneurial skills. These skills can be used in a variety of jobs.
6. Ensure that new training courses are available when needed. For example, the current turnaround time for a new course to be developed and delivered through Yukon College is too long to take advantage of changing job opportunities.
7. Provide enough advance notice to communities of courses coming up.
8. Increase the ratio of apprentices to journeypeople in order to make the apprenticeship program more cost-effective. Currently, the program is not working in rural areas: it is too restrictive and too expensive to operate; rural students also find it difficult to spend a long period of time in Whitehorse with a trainer. Yukoners want changes in the apprenticeship program to deal with these concerns.
9. Provide bands and local communities with the funds to develop and administer their own training courses.
10. Include a cross-section of people as designated representatives on a Yukon College board of governors.
11. Communities, bands, high schools, college and government should co-operate in developing programs to reduce the drop-out rate.

2. Recognize the desire of Yukoners to live in their own communities and increase the participation of rural Yukoners in the economy.

Generally there are more jobs available in larger centres than in rural areas. Many unemployed workers in smaller places choose to move to where the jobs are and this type of mobility should be supported. However, some people prefer to remain in their home communities. Long-term development should provide opportunities and assist in building sustainable communities.

Job-related support services are sparse in rural communities. Rural Yukoners need access to career counselling to identify their career and training goals and to assist them in applying for jobs and preparing for interviews. Personal counselling services need to be strengthened. Working parents have difficulty obtaining childcare since most communities lack daycare facilities. Accurate and current information on job and training opportunities should be available in rural areas. Although obtaining these support services is a problem in Whitehorse, the problem in rural areas is more acute.

Recommendations

1. Pursue options to develop sustainable rural communities. Feasibility studies, pilot projects, appropriate research and development, locally based training, alternative financing and local input are all necessary components of this recommendation. The Government should provide funds for these ideas but not long-term financial support.
2. Establish criteria to let communities recommend and administer training programs. The Community Learning Centres should be geared to the needs of a small population and responsive to change. They should offer courses that meet the training needs of rural residents and provide necessary skills.
3. Consider transferring more responsibility and support work for community-based government programs to the communities, although not all programs would benefit from decentralization. Highway maintenance and campground maintenance were mentioned as likely candidates for transfer. People in rural communities complain that government personnel based in Whitehorse are often unable to spend enough time in the communities or learn enough about them.
4. Ensure community residents have a fair chance at community-based government jobs. If specific skills are required, build in on-the-job training periods to bring community residents to the required level. This will pay off in the long run since residents are more likely to remain in the community, providing long-term stability and reduced

turnover. Specific government positions that have been suggested include teachers and game branch personnel.

5. Advertise information about government job openings and training and other programs through a combination of local resources and modern communication methods.
6. Explore ways of providing career counselling to rural areas in ways appropriate to each community.

3. Recognize the Indian economy as a viable mode of economic activity and create opportunities for Indian people in both the traditional and dominant economies.

For many Indian people, community and family based activities reflect patterns of organization that are different from those in the dominant society and affect the ways in which Indian people participate in the economy. The result is a distinct Indian economy. Features of this economy include emphasizing the achievement of social and community goals as measures of success and the need for flexibility to combine traditional subsistence activities with paid economic activities. Recognizing the work done within the Indian economy as economic activity acknowledges its importance to Indian people and Yukon society as a whole.

Ties link the dominant economic system and the Indian economy. The ability to combine traditional social and cultural activities with work in the dominant economy is important to Indian people. Flexible work situations that allow Indian people to pursue these activities should be encouraged. Economic opportunities that complement the social or cultural activities of Indian people should be created. Although the settlement of land claims will create a variety of opportunities for Indian people in both the dominant and Indian economies, measures must be taken now to increase Indian participation in the Yukon economy.

The participation of Indian people in economic activity benefits both Indian people and the Yukon as a whole. Indian people can put dollars in the economy through business development and spending and also support themselves and their communities through subsistence and other non-cash activities.

Recommendations

1. Identify the skills and knowledge that will be required to make use of the opportunities arising from a land claims settlement. This will enable Indian people and others to start preparing themselves now. Young Indian people can prepare for the settlement of land claims through training and education. The best approach would be co-operative action by the Council for Yukon Indians and individual bands.
2. Complete a skills inventory of each band to identify existing skills and skill shortages. The inventory would be supervised by the band and would set out the variety and depth of skills within each band. Such an inventory could help band members find work and employers find workers.
3. Encourage flexible work patterns that allow part-time work, variable hours or seasonal work to accommodate the demands of the Indian economy.
4. Hire local community economic development officers to give start-up assistance, technical support and follow-up help. Bands have found that Whitehorse-based economic development officers, whether provided by the Yukon or federal governments or the Council for Yukon Indians, can't give them the consistent, on-going support they need.
5. Guarantee that a certain portion of the money available under the Economic Development Agreement goes to Indian people.
6. Review the criteria of the federal and territorial Indian economic development programs with a view to increasing their effectiveness.
7. Encourage joint ventures between Indian people and others.
8. Provide funding for bands to administer, design, offer or contract their own training courses. The need for such training is urgent.
9. Guarantee seats for Indian people on Yukon College's board of governors.
10. Include in the school curriculum the history of the Yukon and the study of Indian people as role models.
11. Inform Yukon bands about the Positive Employment Program and ask for their support in making it work.
12. Improve bands' administration and management skills through training.

4. Improve the prospects for young people and increase their participation in the economy.

Young Yukoners have said that they need training and work experience in order to compete in the job market. Skills training, general knowledge and personal confidence are needed. Young people must also have the opportunity on the job to gain the practical skills and experience demanded by employers.

High school should prepare students for the demands of work and of post secondary institutions. Success after high school often depends on how well prepared students are for the workforce. Therefore the schools should teach skills, like communication and problem solving, that can be transferred to the work place and to the classrooms of other educational institutions. The

curriculum should also contain information on the Yukon and other northern areas, which would be particularly useful to students who choose to stay in the Yukon.

Young Yukoners have expressed concern about the territory's education system. Motivation, they say, is an important part of the learning process and that's where the quality of teaching is particularly important. Teachers who show interest in the material and enthusiasm for teaching can make learning easier for their students. Teachers who understand their students' backgrounds can understand them better.

Recommendations

1. Provide help in using information about available jobs, labour requirements and training opportunities. Career counselling can assist young people to use such information to make decisions about their own futures.
2. Hold workshops to teach students about funding programs, job search techniques and basic business knowledge.
3. Provide adequate support services for students, including career counselling, childcare and financial assistance. Ensure training allowances are high enough to be an incentive for young people to study or train.
4. Screen prospective teachers to make sure they are prepared for teaching in the Yukon, especially those recruited to teach in rural areas.
5. Design specialized training programs at Yukon College and in the high schools for students who have dropped out of school.
6. Establish co-operative or work experience training programs.
7. Advertise training programs more effectively, using a variety of media.
8. Offer and advertise specialized courses at Yukon College for students outside the Yukon.
9. Offer a fuller selection of basic courses that can be tranferred to Canadian universities.
10. Encourage underfilling Yukon government positions in conjunction with training.
11. Place students attending school in summer jobs that will continue from year to year, in order to give them work experience.

5. Encourage the participation of women in the economy and recognize the value of work done by them in both wage and non-wage economies.

Yukoners expressed differing views about the issues surrounding the participation of women in the economy. However, a number of concerns have been raised. Few support systems and limited job flexibility make it difficult for women to balance home and work responsibilities. Many working women have little access to satisfying and higher paying jobs. Although women participating in the YUKON 2000 process did not agree about pay equity, they did want to see the equalization of payrates in the public and private sectors. Traditional women's work is poorly paid, and that affects the entire family. Opportunities for rural women are especially limited. Women should have opportunities for advancement at work and access to higher paying and satisfying jobs. More job openings must be made available to women in sectors like mining, and in management where they are currently underrepresented.

Women are involved in a great deal of unpaid work. The family is an important element in society and caring for children is one of its most important functions. Many of the tasks performed in the home, often by women, carry major responsibilities. Women involved in volunteer activities are also performing work that is important to the people of the territory. These kinds of work should be recognized as important economic activities.

Caring for children is an important aspect of the economy. Many women have said that they need access to good, affordable childcare. There have to be enough facilities. Childcare workers have to be paid fairly. Childcare must be available when needed and in all communities. Information on how to set up childcare centres, including how to obtain funding, should be distributed.

Yukon women want the chance to participate more fully in the economy. Training programs are needed to help them acquire the necessary skills. For many Indian women, life skills training designed to build confidence and self-esteem is a priority. In order to be effective, this training must be long-term, adequately funded and available at the community level.

Women at YUKON 2000 meetings emphasized the need for choice about what work they pursue. And, they said, these choices should be available to men as well. Non-wage activities must be recognized as economic. Promoting flexible working situations that allow a balance between wage-based activity and family and community activities will ensure a territory that is stable both socially and economically.

Recommendations

1. Continue to support home and volunteer work as valuable economic activities. Conduct a study of volunteer activities in order to assess the effectiveness of channelling public dollars to volunteer organizations, particularly social service agencies. Include volunteers in the study.
2. Ensure that good, accessible, affordable childcare is available. Explore ways to make childcare more affordable: for example, through subsidies to parents or to daycare operations. Childcare is a

particular concern in rural areas where few facilities are available.
3. Provide adequate funding for long-term training in life skills and confidence-building, and offer the training in communities.
4. Encourage work sharing and other flexible job arrangements like flex-time and part-time work.
5. Ensure that rural and urban women comprise at least 50 per cent of the membership of all government boards and commissions.
6. Develop a directory of childcare information and services. The work should be done by the Government and the Yukon Childcare Association.
7. Encourage the Government's Affirmative Action and Positive Employment programs.

6. Increase the participation of Yukoners with disabilities and improve their income levels.

People with disabilities are often prevented from reaching their full economic potential. Many people with physical and other types of disabilities can't get work because employers feel it is too expensive to accommodate their needs. Those who succeed in finding jobs still face low income levels and barriers to promotion. The contribution people with disabilities can make to the economy should be recognized, but this requires a change in attitude toward disabled people.

People with disabilities would like the chance to participate more fully in the economy. Work and training that are flexible and accessible would help them reach that goal, as would an increase in the number of special services and programs. Yukoners who are severely disabled are particularly disadvantaged under the current system. In fact, they and their families are often forced to leave the territory in order to obtain services.

Changing attitudes and eliminating physical barriers would increase work, educational and social opportunities for people with disabilities.

Recommendations

1. Increase public awareness and education about the contributions disabled individuals make to the economy. The focus should be on ability rather than disability. The Government and voluntary organizations can work together to find ways of recognizing and publicizing the achievements of the disabled in the Yukon. In particular, educate employers and co-workers about the disabled.
2. Document the employment situation of people with disabilities, reassess and revamp current programs and resources, and study successful employment programs from other jurisdictions as potential models for the Yukon.
3. Conduct a job skills analysis to pinpoint possible employment for disabled people.
4. Establish a Career Services program to co-ordinate existing programs, simplify access, reduce paperwork and to develop more comprehensive programs.
5. Ensure that the Yukon College board has at least one disabled person.
6. Identify the needs of students with special problems and respond to them. Encourage integrated training programs that allow students with disabilities to use regular education facilities.

7. Increase the participation of the elderly in the economy and recognize their skills and knowledge as community assets.

The contributions that people make to the economy do not end at retirement. The elderly should have the chance to be productive as long as they want. Older people have experience and knowledge that is valuable and could be shared with others. Opportunities should be made available for the elderly in the Yukon to share their knowledge and experience with other Yukoners. Elders should be encouraged to pursue activities they find satisfying and the contribution these activities make to the economy should be recognized.

Recommendations

1. Encourage and support those seniors who choose to lead independent lives. Provide support services to assist in this independence when necessary.
2. Increase the money available to bands that support their elders.
3. Explore the feasibility of employing senior citizens in Yukon to give young people on-the-job training and teach them traditional skills.
4. Ensure that the skills and experience of seniors are used by employing them on advisory committees and boards.

Natural Resources

The concerns

From the beginning, natural resources have been the backbone of the Yukon's economy. The renewable resources of fish and wildlife supported the area's first inhabitants for thousands of years. Furs drew the first Europeans, but the non-renewable resources of gold and other minerals brought the major influx of outsiders less than a century ago.

Today, the Yukon's natural resources are both the magnet that holds the territory's multiracial population to this place and a major part of the economy that allows that population to survive here. In the immediate future, the territory's dependence on natural resources is unlikely to change. Developing the Yukon's natural wealth is the key to a stable and prosperous future for the Yukon's people.

The Yukon has an abundance of natural resources. A relative handful of people is scattered across one of the world's last great wilderness areas — mountains, forests, lakes, rivers, wildlife and minerals. But there are difficult barriers to overcome before the promise of the territory's natural wealth can be fulfilled. Many of the more valuable resources are currently inaccessible or, at least, very difficult to reach. Markets are remote and transportation expensive. The infrastructure that is necessary for development — financial institutions, support industries, communications and transportation facilities — is in its infancy.

Besides the difficulties of exploiting the Yukon's resources, Yukoners face some hard decisions about what they want from development and at what cost. Is a mountain valley better used for mining, tourism or trapping? Is there a way to use it for all three purposes? Or should it be left untouched, part of the world's diminishing wilderness?

The decisions will not be easy, even with goals and objectives clearly defined. In many instances, a resource might be used to satisfy several objectives, but not simultaneously. A river valley, for example, might support a trapline or a large mine, but possibly not both. And a wilderness guide is unlikely to welcome a hydroelectric development on a favourite stretch of white water. But all of Yukon's natural resource users would benefit from a climate of certainty over resource use.

Solving these problems has been part of the YUKON 2000 process and will be part of the Yukon's economic development into the next century.

In the course of YUKON 2000, a set of directions has been developed to help Yukoners handle the tough decisions ahead. They are not quick answers; indeed, there are no quick answers when developing natural resources. But they are signposts to guide the territory's future decision-makers.

Yukoners' decisions in managing the territory's natural resources will be guided by the goals agreed upon in the course of YUKON 2000. But the goals are merely general guidelines. Through YUKON 2000, Yukoners have identified a set of objectives to be pursued through a natural resources strategy. In the days ahead, when the needs of the territory's people and its resource-based industries will have to be assessed and accommodated, the objectives will provide decision-makers with a clear road to follow.

Addressing the concerns

The eight objectives of the natural resources strategy aim to strike a balance between development and conservation, between achieving a stable economy and preserving those qualities of Yukon life that draw people to the territory and make them want to stay.

1. Develop the full range of natural resources, both renewable and non-renewable.

The first objective, to develop the full range of natural resources, both renewable and non-renewable, is a step toward economic stability in a notoriously unstable economic region. Stability depends on increasing the ability of the economy to support Yukoners and on diversifying the economy to avoid the boom-and-bust cycle. However, some Yukoners caution that diversification could be difficult to achieve. Others argue that there should be no further development until native land claims are settled.

Certainly, diversification can lead to problems of its own — competing demands for the same resources or for resources in the same locations. Yukoners will have to establish procedures for managing the territory's natural resources, procedures that accommodate the various industries involved and the often contradictory needs and values of the diverse elements of the Yukon community.

Many Yukoners said that the best way to develop and manage our natural resources is through sustainable development, which means developing our resources in a way that ensures local economies are self-reliant and resources will be available for use in the future. Integrating conservation and development at the time that resource use decisions are made is a more complete approach than simply regulating development. And it has a better chance of ensuring that development of one sector is not achieved at the expense of other sectors.

It is also good business to leave as many options open as possible. Changing markets and shifts in society make the future hard to predict, so it is important to retain the capacity to respond to change. If the Yukon is to maintain enough diversity and productivity in its resource base to respond to changing social and economic conditions, it must treat that resource base with care. A resource of little value today might be the territory's saving grace in a decade's time.

People involved in resource management should try to identify compatible uses of our natural resources and carefully evaluate those uses to make sure they are compatible in the long term. Looking for conflict is like looking for trouble — it is usually waiting to be found. But looking instead for compatibility means fewer areas are likely to be restricted to a single use. Of course, some uses are compatible with others only through careful management. In such cases, a clear statement of management conditions, set out well ahead of development, would be needed.

2. Increase the economic return to the Yukon from its resources.

The second objective, increasing the economic return to the Yukon from its resources, aims at increasing the direct and indirect economic benefits to Yukoners from resource development. The methods of doing this that most Yukoners supported were more local hire, more on-the-job training and more local ownership and investment in resource development. Other ideas that came forward included: increased taxes on resource-based industries, defined and closely monitored standards of operation, and recovery of any govern-

ment investment in a project over the life of the project. Several Indian bands also mentioned the need for resource revenue or subsurface rights sharing from non-renewable resource developments, which they hope will form a component of the land claims settlement.

Reducing waste and increasing the efficiency of production methods means more economic benefit from existing industries. As well, expanding secondary processing would keep more of that economic benefit in the Yukon itself instead of exporting it to the rest of the country and the world. Waste could be reduced, for example, by the use of wood chips for home or commercial heating. Examples of secondary processing that people feel could benefit the Yukon are tanning locally trapped furs, using the furs and skins for producing garments or refining oil and gas found in the Yukon.

3. Develop renewable resources at a rate that will not deplete them.

Any resource strategy must consider the possibility of the resources running out. The third objective, to develop renewable resources at a rate that will not deplete them, addresses that risk. The Yukon is fortunate in possessing plenty of renewable resources, but they are renewable only when treated with care. For example, if trapping is to provide a living for generations to come, it is vital to protect the habitat that allows the animals to live and reproduce. If forests are to be the foundation of a continuing industry, they must not be harvested faster than they can regenerate.

Yukoners have said that monitoring of wildlife populations and enforcement of hunting and fishing regulations are necessary to avoid over-harvesting by visitors and residents. Depletion of fish stocks through sport fishing and waste of meat from big game hunting have been raised as examples of insufficient monitoring which has negatively affected wildlife populations. Better co-operation between people responsible for wildlife management and people living in the communities would help overcome these problems. Careful development of our renewable resources will help give the Yukon's economy the long-term stability it has lacked in the past and will leave a healthy legacy for future generations.

4. Develop non-renewable resources at a rate that assures more stable economic growth.

Although they cannot be replaced, non-renewable resources can be developed in a way that assures reasonably stable economic growth. The rapid development of non-renewable resources and the sudden collapse of industries as the resources are depleted are major contributors to the boom-and-bust cycle from which Yukoners want to escape. Most Yukoners recognize the importance that hard rock and placer mining have played and will play in the Yukon's economy and many accept that unnecessary regulation harms an industry that many of us rely on for our well-being.

But many Yukoners also believe that we have not received enough of the benefits from non-renewable resource developments. Some people feel it would be difficult to persuade resource developers to slow down the pace of developments and that many developers have poor track records in hiring and training Yukoners and in environmental protection. However, with careful planning, non-renewable resources can be developed so that the maximum benefit goes to the people who have already chosen to make the Yukon their home. Instead of importing a temporary labour force in order to develop a resource as quickly as possible, development could be spread over many years, providing long-term employment and on-the-job training for local people.

5. Maintain the resources required for subsistence lifestyles.

Looking only to the new carries the risk of overlooking the old. The fifth objective, maintaining the resources required for subsistence lifestyles, is aimed at preserving an older way of life that many Yukoners cherish. Living off the land is a vital part of the culture and economy of Yukon Indians, both through choice and through necessity. Other Yukoners are also attracted by the possibility of making a living with little more than what they can do, make, catch and grow themselves.

There was agreement from people around the Yukon on the need to protect the option of a subsistence lifestyle and that protection of the environment is one part of this. There was, however, disagreement on the definition of subsistence. Some people felt that "subsistence use" should refer to Indian users and "domestic use" to non-Indian users. But it was agreed that Yukoners — Indian and non-Indian — want to retain the option of living off the land.

6. Safeguard the Yukon's natural environment and historical and archaeological heritage.

Whether or not they make their living from the land, Yukoners agree on the importance of the sixth objective, to safeguard the Yukon's natural environment and historical and archaeological heritage. Enjoyment of the Yukon's natural environment is an important part of the quality of Yukon life. Economic development can and should be in addition to, not instead of, this enjoyment. The protection of our environment is necessary to ensure that those resources will be available for use in the future.

The heritage of the Yukon includes natural, archaeological and historical features that are unique or that have played an important role in the life of the territory's peoples. Some of these features are of national or even global

significance. Yukoners take seriously the responsibility of conservation and preservation. Indian bands are aware of many traditional sites which should be protected, and want to avoid any tampering with them. Many people suggested that artifacts found at archaeological sites here should be stored and displayed in the Yukon. Yukoners want to save and protect our heritage resources, for the future of the peoples of the Yukon and our visitors.

We have a moral responsibility to leave future generations a world at least as productive and diverse as the one we inherited. As the saying goes, "We have not inherited the earth from our parents; we have borrowed it from our children."

7. Establish Yukon control over the territory's natural resources.

However carefully Yukoners plan for their economic future, they can achieve little without the seventh objective, to establish Yukon control over the territory's natural resources. No country, province or territory can direct its economic destiny when control of its resources lies elsewhere. Yukoners have to live with the economic, social and ecological consequences of decisions made about the territory's natural resources. Therefore, Yukoners must have the power to make those decisions.

It was agreed that Yukon or at least Canadian ownership of resource development companies that operate in the Yukon would improve the control and direction of resource developments here. Many comments were made about the need for significant community input into all resource management decisions and that any federal government authority transferred to the Yukon Government should include consideration of the role of communities.

8. Establish procedures for managing natural resources which accommodate the needs and values of Yukoners.

In some cases, it will be difficult to satisfy the various demands of the diverse groups and peoples that make up the Yukon community. In societies like the Yukon's, different groups of people have different needs and different concepts of benefit. In particular, Yukon society contains two distinct cultural groups — Indian and non-Indian — and extra effort will be required to reconcile their needs. However, with a spirit of co-operation, it is usually possible to find a satisfactory compromise. That effort to compromise is what knits the society together.

The groups and agencies that will be created to make decisions about the management of the Yukon's natural resources will take on a difficult and often thankless task. There will be times when, despite their best efforts to accommodate all uses, one use will have to take precedence. Making that decision to turn away other users will be difficult and often unpopular. The difficulties will be eased by agreement ahead of time on some fundamental points that should be considered when making decisions on what resource will get priority.

The following list of factors to consider is incomplete; it can be expanded as new situations arise and as new concerns are expressed. It should also be clearly understood that each statement applies only if all else is equal, that is if the two incompatible uses being considered are otherwise equally desirable. Under such circumstances, the following partial list of considerations should be taken into account on a case-by-case basis, in consultation with the communities affected:

* Uses that depend on a few sites before uses that can choose from many sites;
* Subsistence uses before recreational uses before commercial uses;
* Economically major uses (in terms of income and employment) before economically minor uses;
* Renewable resources before non-renewable resources;
* Uses with strong cultural values before other uses;
* Existing uses before new uses;
* Community needs before Yukon needs before Canadian needs before international needs.

Again, these considerations offer no quick and easy solutions to the problems that will arise. Decision-makers will rarely find that all else is indeed equal and one factor will give them their answer. Instead, they are likely to find themselves weighing the relative importance of two or three considerations. This list and the additions that will be made to it over time provide a helpful guide to what Yukoners feel are the trade-offs which should be considered and discussed on a case by case basis.

Recommendations

How then is planning to proceed? How are decisions to be made? In natural resources, perhaps more than any other area, an overview is vital. Natural resources are tightly connected to each other and a decision in one area will have effects on other areas that are often hard to see.

The following recommendations have been raised by people around the Yukon as methods to address our concerns about natural resource uses, developments and conservation.

1. Directly involve Yukoners in natural resource management.

This recommendation has been repeated in all of the communities and by all the groups consulted. It is clear that we cannot achieve sustainable

development without involving Yukoners in decisions on the use and maintenance of our natural resources.

It was often stated that people from across the Yukon must sit on the boards and committees that advise and make decisions on all aspects of resource development. Additionally, people have said that Yukoners should be the actual resource managers whenever possible, as it is Yukoners who know the most about how to maintain our resources. Rural residents generally and native people specifically have been named as essential members of resource management boards and committees. In addition, many Yukoners have recognized the need to involve industry representatives in decisions affecting resource use. Others pointed out that to achieve a balanced view there should also be a role for non-government organizations in providing information for decision-making.

Another comment made in many communities was the need for local people to have input into any decisions that directly affect their community. Some have suggested that communities should have the right to veto resource development projects in their area. Many communities have also recognized the need to do community planning in order to prepare for and complement their input into resource management.

2. Develop renewable resource management systems.

In order to develop renewable resources in a way that will not deplete them, we need to ensure the fair and consistent management of those resources. Yukoners should be involved in designing renewable resource management systems.

3. Plan the use of our land resources.

Environment and development planning — or land-use planning — is the principal mechanism for allocating competing resource uses. A Northern Land Use Planning Agreement, between the federal and territorial governments and the Council for Yukon Indians, would allow coherent planning and management to proceed. Many Yukoners have expressed the need for access to land for many uses. A flexible system with quick decision-making would relieve the frustrations felt by people around the territory and allow to proceed many projects that will have economic and social benefits for the Yukon. Yukoners also expressed the need for decision making to provide certainty to resource users.

4. Assess socio-economic and environmental impacts.

The second broad mechanism involved in the allocation of resources is the socio-economic and environmental impact assessment — the identification and evaluation of both positive and negative effects of a project, along with identification of ways to minimize the negative effects. Yukoners recognize the need for good information on which to base decisions.

5. Combine development with conservation.

Development and conservation should go hand in hand from the beginning, with the aim of preserving or increasing the resource base. Combining the two principles at the design stage of an industrial development means harmful environmental effects can be anticipated and avoided. The industry will save money through efficient planning and the impact on the environment, the damage to the resource base, will be minimized.

The other side of the coin is the addition of development components to conservation projects. For example, hunters or outfitters might get a stake in a tourism project based on wildlife watching. Or, the migration of the economically vital Porcupine Caribou Herd could also contribute to the economy as a tourist attraction. Active efforts to increase the resource base — such as aquaculture, silviculture or domestication of indigenous species — can also pay dividends in both development and conservation.

6. Develop siting and operating standards and regulations.

Dealing more directly with development, a comprehensive set of siting and operating standards and regulations are recommended for mining, industry, agriculture and other activities that are a potential source of pollution or wildlife disturbance. Such activities would be monitored and evaluated to reduce their impact on the environment to tolerable levels and to prevent damage to human health. The emphasis would be on industry codes of conduct, voluntarily adhered to. Government regulation would be resorted to only if the codes of conduct fail to work. Yukon industries, however, cautioned that too much regulation could significantly increase the cost of doing business.

7. Develop policies on natural resources.

A cross-sectoral policy on natural resources should be developed to cover current policy gaps, coordinate existing sectoral policies and address those issues that cut across sectors like renewable and non-renewable resources: for example, competition for land between housing and agriculture interests.

8. Settle native land claims.

Yukoners around the territory have said that one of the major issues affecting the development of the Yukon is the lack of a land claims settlement. It is recognized that a speedy resolution of land claims would help all Yukoners achieve their goals and contribute to the sustainable development of our natural resources.

Financial Resources

The concerns

From its earliest days, the Yukon has had a history of entrepreneurship. Fur trappers and traders, dance hall owners, mining promoters and grocers — the territory's citizens have responded to whatever opportunities were available. Today, more than 900 small businesses are scattered throughout the territory. In fact, 83% of Yukon firms have fewer than 20 employees.

The life blood of business, both large and small, is capital. Capital is the wealth you put into a business in order to create more wealth. Without capital, you can neither establish a business nor expand it. There are three basic sources of business capital: personal savings or business profits, outside investment by people who receive a share of the business in return for the use of their money, or borrowing. However strong the entrepreneurial spirit of Yukoners may be, without access to these sources of capital, Yukon businesses are hamstrung.

Studies conducted during YUKON 2000 and submissions by Yukon citizens and groups have shown that economic development in the Yukon has been limited by lack of capital. Yukoners have complained that not enough financial capital is available, that they have little access to existing capital pools and that some government programs to provide financial capital are misdirected. The result, they say, is reduced service and less competition in the market place.

Research undertaken in response to these concerns reveals a rosier picture than expected. In fact, Yukon businesses in general appear to have quite good access to capital. In 1983, at the height of the Yukon's recession, the overall profitability of Yukon firms remained higher than the national average, providing a reasonable return on owner equity. Indeed, Yukon businesses were generally more profitable than those in regions like the Northwest Territories where the economic situation was much better.

Nonetheless, the research and the YUKON 2000 workshops did turn up some problems. Not everyone has the same access to capital. There are differences between new and existing businesses, rural and urban businesses, Indians and non-Indians and between special groups and traditional entrepreneurs. The financial resources strategy therefore concentrates on the problem areas — the capital access problems of small business in general and of rural, Indian and women entrepreneurs.

The development of locally-owned small businesses will put the territory on the road toward its goals. Small businesses can create a variety of jobs and, at the same time, keep the benefits of economic activity in the territory.

The key to such development is the efficient provision of private and public sector capital. Providing capital to businesses should build a healthy, competitive and self-reliant private sector. The economic benefits can be distributed even more widely through Yukon society by encouraging underdeveloped sectors: for example, by seizing opportunities for business growth in rural and native communities and by enabling Yukon women to contribute to their full potential. As an economic development strategy, Yukoners want to place business success ahead of business starts, permanent employment ahead of short-term job creation.

Addressing the concerns

The following eight objectives aim at ensuring that Yukon businesses and individuals in all regions and sectors have access to financial capital and supporting financial services. The creative spirit of Yukoners will then determine what use is made of that capital.

1. Encourage entrepreneurship and the development of small businesses in all sectors.

Small businesses find it particularly difficult to attract capital for start-up, expansion or modernization. Yet small businesses are particularly valuable to a regional economy. They contribute to stability by diversifying ownership; they are major sources of innovation; and they provide important points of entry into the business world for both individuals and groups. Small businesses currently operate in all sectors of the Yukon economy.

Most owners of beginning or expanding small businesses have little in the way of savings or excess profits to draw on. They must attract outside capital by offering equity in the business or by borrowing. Equity reduces the firm's vulnerability to cash flow problems, but at the same time it dilutes the original owner's profit and control. If that equity is held outside the Yukon, the Yukon also loses a degree of control over its own future.

Private equity funding is not readily available in the territory and the Federal Business Development Bank has made no equity investments in the Yukon in recent years. The banks report that few entrepreneurs have tried to use private equity available elsewhere.

The balance of short-term and long-term debt can also create problems for new or expanding businesses. Small businesses tend to have a much greater ratio of short-term debt to long-term debt than do large businesses. Despite the fact that a high level of short-term debt increases the risk of business failure, several of the government programs available to Yukon businesses are geared to short-term funding and most Yukon bank loans are of a short-term nature.

The Yukon's economic development strategy should encourage small businesses to raise their capital, as far as possible, through equity investments or long-term debt, rather than short-term debt. Although the need for government funding assistance for businesses was generally accepted by Yukoners, there was disagreement on what types of assistance should be provided. Some people felt grants should be given on a case by case basis; some felt grants should go only to non-profit organizations; and others felt that grants should not be given. Suggestions for other types of business assistance include: venture capital, loan guarantees, interest free or low interest loans, and loan programs designed to assist a particular group such as a rural loans program.

Many Yukon businesses operate on a seasonal basis, which causes them special problems with financing. They need cash to prepare for seasonal activities long before revenues start rolling in. Start-up costs for a seasonal small business present another problem. They are usually spent in the off season in preparation for operating. By the time preparations are complete and the season begins, the businessperson often lacks the working capital to run the new business.

Several groups have urged the government to set up programs that will help their businesses with inventory and working capital. Inventory financing is often hard to get or non-existent. So far no government programs provide working capital and the lack of access to this type of funding is also considered a major constraint.

In addition to these problems, new Yukon businesses must deal with the high interest rate charged on capital and the difficulty of developing efficient business practices. Both factors contribute to the cash flow problems most businesses face during their start-up period. Efforts must be made to help new businesses reduce such problems in those critical early years.

Finally, small businesses suffer from a lack of information. Many businesses lack ongoing technical and other support services. They need to know about sources of capital, the taxation implications of various funding approaches and management practices that will help them make good use of their capital. Their lack of knowledge about financial management makes many would-be small businesspeople unattractive risks to those who could loan them money.

Recommendations

1. Private and public sector financial institutions should work together to provide Yukoners with a complete selection of capital through various forms of equity and long- and short-term loans.
2. The government should pass legislation enabling the establishment of trust companies and credit unions in the Yukon so that the territory can have access to the full range of financial institutions. Trust companies and credit unions should be established only if they are viable.
3. Long-term business success should be encouraged by both private and public lenders. For example, banks should offer loans on a longer term than they currently do and government could provide money in the form of long-term forgivable loans.
4. Develop local venture capital pools to assist high-risk, high-payoff businesses that can't get conventional loans. Help entrepreneurs find information on available venture capital and help them package their proposals to venture capitalists.
5. Both public and private financial institutions should give local managers more flexibility and responsibility in order to respond to local conditions and needs. Encourage better staff orientation so that officers acquire a full understanding of Yukon business conditions and practices.
6. Streamline the process by which businesses get the capital they need:
   - programs should be designed for ease of understanding and access;
   - forms and documentation requirements should be simplified and standardized;
   - the number of different funding programs should be kept to a minimum and carefully coordinated;
   - business development officers should help businesses identify, prepare for and apply to funding sources.
7. Business training should be made available to operators of small businesses, especially those interested in starting up businesses for the first time. This training should include information on funding systems, basic business practices, the records, projections and control systems they are expected to have in place and how to prepare financial statements and cash flows.
8. Government and large financial institutions should consider applications for funding on a case by case basis, using clear and well understood criteria that fit the Yukon. These criteria should be assessed to ensure that businesses without long and successful track records do not face unnecessary barriers to accessing capital.

   Financial institutions and government should not try to pick winning sectors or regions.

2. Improve access to capital and financial services in rural areas.

Rural firms, especially those establishing new businesses, face particular roadblocks in the quest for capital. Rural businesses are usually hard for banks to monitor; they often have little collateral because the "realizable value" of their assets is low; they have trouble getting insurance; they often have little available equity; and they frequently have to travel great distances to reach the broad range of financial services available in Whitehorse. Rural businesses are more vulnerable to economic fluctuations and tend to have more volatile profit histories than urban firms.

The low level of banking services in rural communities harms local businesses by diverting trade to Whitehorse where the banking services exist. Because rural Yukoners must travel to Whitehorse to cash their cheques, they make their purchases in the city as well. As a result there is an outflow of income from rural communities to Whitehorse.

For all these reasons, rural businesses find it particularly difficult to obtain capital.

Recommendations

1. Those government financial programs that are not providing fair levels of assistance to rural businesses should do so.
2. The government should use its deposit clout with banks to get them to provide better service and more loans to rural areas and to ensure that rural businesses face no unnecessary barriers to capital.
3. Basic cheque-cashing and deposit-taking should be available in all Yukon communities. Local businesspeople could be hired to

act as agents for the banks, or existing territorial agents or economic development officers could provide the service.
4. Government and community organizations should press banks to locate a loans officer in rural communities. This should be a person who already resides in the community.

3. Remove barriers to capital for Indian businesses.

The aboriginal people of the Yukon had a fairly well developed entrepreneurial group from the start of gold mining until the end of World War II. During this period the harvesting economy was strong. Money earned in the fur trade was used to buy manufactured goods and to supplement subsistence hunting. However, from World War II until the late 1970s, Indian people struggled economically. They were faced with the rise of the wage economy, in which aboriginal people played a subordinate part, and the decline of the harvesting economy, which aboriginal people dominated. During this period entrepreneurial development languished.

In recent years, governments and aboriginal people have been trying to increase the number of Indian-owned businesses. But Indian people find it particularly difficult to get business financing. Assets on land set aside for reserve or a land claims settlement can't be used as collateral for loans and provide little potential equity. Indian families earn less than two-thirds the income of non-Indian families, which again provides a smaller base of potential equity.

Recommendations

1. Maintain and support Dana Naye Ventures as an Indian-controlled financial assistance program for Indian businesses.
2. Help establish aboriginal controlled development corporations in communities whose bands want them.
3. Encourage banks to reassess the criteria used to judge loan applications from businesses without long and successful track records in order to ensure that Indian businesses face no unnecessary barriers to obtaining capital.
4. Both levels of government should work co-operatively with the Council for Yukon Indians to develop ways to:
   - examine the equity requirements in all government programs to remove barriers that block access to capital for Indian businesses;
   - simplify application procedures for government assistance programs and provide help in applying for government funding;
   - provide training for aboriginal entrepreneurs using appropriate learning approaches.

4. Improve women's access to capital.

Many women have trouble gaining access to capital, usually because they are short of equity and business experience. Women generally earn less than men and therefore have less potential equity. In 1983, Yukon women earned about 56% of what Yukon men earned.

The problem is not limited to the Yukon. A recent Ontario study reported that women have only three-quarters of the equity available to men for investment. It concluded that "the relatively higher investment by males compared to females may add power to critics of Canada's financial system who argue that it discriminates against women." Yet in Canada female-owned businesses have a higher success rate than male-owned businesses.

No special direct financial assistance programs are currently offered for women. Indeed, people involved in the YUKON 2000 process did not ask for special programs directed toward women. Instead they were concerned that women be given fair and equal treatment under existing programs.

Recommendations

1. Government and women's groups should pressure banks to re-examine their lending practices and attitudes toward women. Public and private sector loans officers should be educated about women's success in small business.
2. Better business training and assistance should be provided for women. The programs should include workshops on starting a small business in the home.
3. Women active in business should be encouraged. Pamphlets providing information on successful business women and potential mentors would be useful.
4. Banks should be encouraged to place more women in managerial positions.
5. The government should examine criteria used to evaluate requests for money under its programs in order to remove any barriers that block women's access to capital.

5. Investigate the potential of community-based enterprises.

Co-operatives, band and community development corporations and other community-based economic development organizations are useful economic tools. They provide a means for groups of people to pool their limited equity and develop new business enterprises. Community-based enterprises also pool the expertise, commitment and knowledge of the entire community. Such groups are most active in providing goods and services to the local community, but they also can be used to produce goods for export. While groups of this nature are a major force in economic develop-

ment in other regions of Canada, especially in rural communities, they remain almost non-existent in the Yukon.

Recommendations

1. The development of community-based enterprises in rural Yukon communities should be explored, encouraged and supported.
2. The potential for community-based enterprises in Whitehorse should also be explored. Groups within the city might be interested in developing community enterprises and should be encouraged.
3. Capital assistance programs that exclude community groups and non-profit societies should be changed to make such groups eligible for assistance. Also legislation governing non-profit societies should be reviewed to ensure it does not preclude operation of business activities.
4. Any Yukon venture capital program should be open to community-based enterprises.

6. Maintain the leading role of the private financial sector in providing capital and financial services.

Commercial banks in the North invest a greater percentage of their money in small businesses than is the case in other parts of Canada. In 1986, Yukon firms had 60% of their outstanding bank debt in loans of less than $200,000.

In the Northwest Territories, the equivalent figure was 47%; in Alberta, 9%; in British Columbia, 24%; and in Canada as a whole, 18%.

Recent surveys indicate that the vast majority of small businesses in Canada are satisfied with their dealings with chartered banks. In the Yukon, the only information available is from a 1982 survey in which almost 80% of Yukon businesses reported satisfaction with their bankers. This is slightly higher than the national average.

Recommendations

1. Government resources should be used only when the private sector cannot or will not provide the required services.
2. Loans should be provided through banks wherever possible. Government loan programs should be delivered by established private financial institutions working on contract. This approach has the benefit for the entrepreneur of a relatively quick turnaround in the loan application, the establishment of a working relationship with a bank and the development of skills in dealing with bankers.
3. In order to improve banking service:
   - bankers at the banks' central offices should learn about the Yukon's economy and business environment;
   - local bank managers should have adequate credit authority;
   - loan officers and managers should be encouraged to stay longer in any community;
   - bankers should be encouraged to review their requirements for collateral and their ways of appraising realizable assets.

7. Encourage increased competition among financial institutions.

Yukon communities have often expressed their concern that competition among banks is declining and that further reductions in banking services are possible. The territory has seen the number of bank branches decline significantly in the past few years with the closure of one urban and two rural branches, the withdrawal of a trust company and the bankruptcy of a credit union. In the same period, the Federal Business Development Bank offices have changed status from a sub-office to full branch and back to a sub-office. The Canadian Imperial Bank of Commerce is now the only bank operating branches outside Whitehorse and some of its branches are open only because of government assistance. In contrast, in 1978 three banks had branches outside Whitehorse. The changes have reduced competition and service, particularly in rural areas, and could cause long-term problems for the Yukon.

Recommendations

1. The Yukon Government will need to foster competition among the existing banks in order to maintain enough private debt capital and efficient, convenient banking services. The Government should use moral suasion and its own deposit clout to keep competition alive.
2. The Yukon Government should encourage other banks and trust companies to come to the Yukon.
3. The Yukon Government should discuss the concept of a northern bank with other northern governments.

8. Develop an effective role for government in complementing and backing up the work of private financial institutions.

Six Yukon Government departments and agencies and 10 federal departments provide more than 100 types of direct and indirect financial assistance to businesses in the territory. The assistance includes grants, loans, loan guarantees, tax incentives, wage subsidies, infrastructure assistance, business advice and training.

While there appears to be little duplication of coverage among these programs, the rapid proliferation of financial assistance programs has made it increasingly difficult for people to find the right program and get money from it in a reasonable time. Those looking for help are faced with a bewildering array of criteria, forms of assistance and decision-making

committees. Would-be users of the programs have called on governments, both federal and territorial, to improve the efficiency of financial assistance programs, to minimize paperwork and to simplify access.

The amalgamation of the Yukon's financial assistance programs under the Business Development Office is a step toward streamlining government's response to the business community. Office staff are creating standardized application forms and helping applicants through a less complex system.

Recommendations

1. A single basic application form for government financial assistance programs should be developed, with addenda as required to meet specific conditions of each program.
2. Efforts should be made to reduce the number of decision-making committees.
3. Approval processes should be speeded up to avoid delays that could cost the applicant business.
4. If new funding is needed to fill gaps, the money should, if possible, be distributed through existing programs rather than by adding new ones. In some cases it will be more efficient to replace existing programs with new and broader programs.
5. The entrepreneur with a small project currently faces the same application and evaluation procedures, and the same effort, as the business person with a large project. There should be more flexibility in dealing with smaller projects.
6. All forms of government financial assistance should address problems like equity, short-term debt and cash flow which Yukon businesses must face.
7. Government assistance should be short-term, but aimed at projects that demonstrate the potential to be viable over the long term. Businesses should not be encouraged to depend on aid, since it will not always be available.
8. Up-front assistance should be given preference over subsidies and rebates since it is more effective and less complex to administer.
9. Programs and projects should be evaluated, but without adding too much to their cost or reducing their efficiency. Procedures should be established to account to the public for use of government funds. Industry representatives should be involved in the evaluation.
10. Over time, government assistance should recover its costs, either directly or indirectly. The calculations of such recovery should take into account benefits like increased tax revenue and decreased welfare or unemployment payments.

Information Resources

The concerns

Scientific and technological changes are powerful. They can irreversibly alter culture, change the environment, alter the centre of industrial activity. They are powerful because science and technology meet basic human needs and desires by influencing our political and economic systems.

The Yukon, although removed from the current centres of economic and political power, is not isolated from science and technology. The possibilities for using science and technology are many in a maturing economy such as the Yukon's. Cleaner, less costly, more efficient ways of extracting resources and producing goods can be found. As well as "high tech" innovation, Yukoners are concerned with the type of science and the sort of technology that is appropriate to the North. This might mean finding new techniques to tan moose hides. It might mean adapting communication technology to provide greater access to information sources in rural or remote areas.

Science and technology can make a vital contribution to Yukoners taking control of the future. Science and technology are part of many systems Yukoners use now — food, communications, transportation, shelter, entertainment, clothing, health care and so on. The more these systems are developed in the Yukon and not simply imported, the more likely they will be to respond to the needs of Yukoners.

Science and technology can generate information about the environment and mechanisms to protect it — ways to trade off between resource development and conservation. Science and technology can also help provide more harmonious social structure and community well-being. For many, this will mean they will achieve a more acceptable quality of life.

The goal of achieving equality is sometimes lost when science and technology change society rapidly. Some groups do not adapt quickly and end up being worse off. The government will have to make sure technology is accessible to everyone. This might be done using technology itself by improving communications, for example.

Of the four main goals for YUKON 2000, perhaps the most promising area for science and technology is to improve the opportunities for Yukoners to stay in the territory. Science and technology can revitalize an existing industry or it can create opportunities and potential employment. Technology can also eliminate jobs. Sound planning and policies, to minimize the negative effects of change, need to be considered.

Addressing the concerns

A world dominated by technological innovation is constantly encroaching on the Yukon. This can affect the territory dramatically with the many possible ways it can be used. The costs of ignoring science and technology, on the other hand, are great. The seven objectives below focus on how Yukoners can use science and technology to their best advantage.

1. Use science and technology as tools for development.

Science and technology strategies and policies are new to the Yukon for the most part. Of course, science and technology have been used here in the past. Indian people in this area have been using their knowledge and new ideas for thousands of years to make better tools or find new techniques. The extreme conditions in the North have demanded the people here understand their world and use what it offers to survive in innovative ways. The purpose of this strategy is to instill a spirit here that will make science and technology a tool to develop our economy on our own terms.

Further, science and technology also provides indirect benefits to the economy. Investment in science and technology to resolve social issues can create income and jobs while helping to improve the quality of life for the people affected.

However, need alone will not promote the use of science and technology as an economic and social tool in the Yukon. Government should play a key role in coordinating, developing, and promoting science and technology. The tax structure, financing policies, relations between various levels of government and procurement policies can be used to develop a climate for science and technology. Broad social and economic goals are another requirement. Science and technology policy should be developed to serve social goals.

The Government should plan for and support new facilities for research, development of technology, and the growth of businesses using new technology according to Yukoners' priorities.

Recommendations

1. The Government of the Yukon should develop a position of Science and Technology Advisor. The Advisor would review and advise the government on science and technology. Given the size of the Yukon, this may only require a part-time position.
2. Examine measures governments can take to promote the use of science and technology.

2. Improve our understanding of the natural and social environment and improve access to existing sources of information.

A first step to solving many problems is knowing more about the problem. In the Yukon, many times, this will mean knowing more about our natural environment and social systems.

Networks are a way to make information available on people, technologies, markets and production facilities. They help promote new directions in research. Networks also allow scientists, who at least in the short term are not located in the Yukon, to generate research of value to the Yukon.

Recommendations

1. Government should establish networking systems which can promote information and computer link-ups with other research institutions and local information sources.
2. Yukon College should set up a Research Data and Information

Centre to store documents received under the current science ordinance and any new programs. As well as providing a central storehouse of research and information on the Yukon or applicable to the Yukon, this centre should take on responsibility for circumpolar information exchange.

3. The Department of Education's Learning Materials Centre should be promoted for community use in addition to school use.
4. TheGovernment should support the continuation of the Yukon Science Institute's lecture series called Science Today. Other methods of communicating science and technology to the public, such as demonstration projects, should be considered.
5. The Yukon Government should encourage businesses, with appropriate incentives, to make information about science and technological innovations public.

3. Do original scientific research in the North.

There should be some original scientific research done here. The Yukon tends to adapt technology from the south rather than discover its own. New bodies of knowledge can only help to encourage technological advances which are relevant to the North in the long term.

The Yukon lacks facilities which are recognized by national research councils. Funding from these councils usually goes to universities or recognized institutes. However, recognition from the various research councils would be an incentive for professors on leave from universities or scientists visiting from foreign countries to work in the Yukon. In the long term, Yukon College could become a place where resident researchers could become established.

Training and education in science and technology should be considered basic for all Yukoners. We live in a society where people need a good general education. Today, in addition to language and mathematics, science should be considered basic in our school system. This will help people achieve greater equality of opportunity.

Also, using science and technology to help train people is an option. Distance education and various initiatives on training at the post-secondary level are included in the Yukon Training Strategy.

Recommendations

1. The Scientists and Explorers Ordinance should be replaced with a "research and innovation program" which promotes research in the Yukon. In return, the researcher would help the Yukon by making research available locally, by training local research assistants and by using the research for local applications.
2. Yukon College should play a role in promoting northern research. The college can provide facilities and lobby for national research funds with other institutes that currently are not eligible to receive them. It can offer technological training programs.
3. The Yukon Government can take the following actions: encourage more girls and Indian students to take maths and sciences, offer a secondary school course that relates science and technology to the community and assist teachers to improve their skill in the area.

4. Reinforce the traditional Indian and rural lifestyles by using appropriate technologies and adapting traditional technologies for modern uses.

Modern technology has been destructive to traditional and rural lifestyles. Technology frequently is designed to serve the needs of the industrial economy. Yukoners value the cultural and environmental relationships which put us closer in touch with the land.

Recommendations

1. Link traditional Indian knowledge to scientific knowledge, for example in the renewable resources areas.
2. Upgrade traditional craft skills through modern technological methods.
3. Use technology to increase the dialogue and information exchange between rural communities and Whitehorse.

5. Expand the scope of resource industries by using technology to move in new directions.

Natural resource industries are key generators of employment and income within the Yukon. Wider use of resources through advances in technology can bring improved and new opportunities. Expanding resource industries does not necessarily mean making them bigger. The focus should be to keep the size appropriate to the Yukon situation. To ensure that the benefits do go to Yukoners there will have to be increased communication about technical innovations to potential users.

Because of their potential and importance to the Yukon economy, the following areas should be the top priorities for applying science and technology to aid development: placer gold mining, hard rock mining, energy and alternate energy sources, forest industry systems, game farming, specialty agriculture, specialized manufacturing such as native products, game management, specialty aquaculture and water quality.

Recommendation

1. The Government could use extension agents — specialized

field workers — to promote science, technology and innovation. However, the size of the Yukon population, the interests of private sector institutions and limits to government financial resources should be considered in determining how best to provide this service.

6. Promote the small business sector and individual entrepreneurs in their use of science and technology.

The private sector, small companies in particular, is important in the development of science and technology. A small company is usually in a good position to be innovative in its use of technology. The large number of small businesses in the Yukon economy makes this a critical element of a science and technology strategy.

For small businesses, the cost of finding and using technological innovation can be prohibitive. But for society the cost of not having innovation may be much greater. The Government should assist entrepreneurs with support for training, venture capital, management services and general operations. New companies using new technologies may also require special facilities.

Recommendations

1. The Yukon Chamber of Commerce and Yukon College should study examples of entrepreneurship training programs elsewhere in Canada and adapt them for use in the Yukon.
2. The Yukon Government should investigate means to support business start-up for firms using technology by using such things as the incubator concept.

7. Improve public infrastructure through science and technology.

Public transportation, housing, communication, sewer, and energy systems are well designed to suit southern Canadian conditions. But in the North, science and technology can be used to make public infrastructure work better. Existing technologies need to be more widely distributed as well. Yukon could lead in the development and use of northern technologies that could be used in other regions or countries.

Recommendation

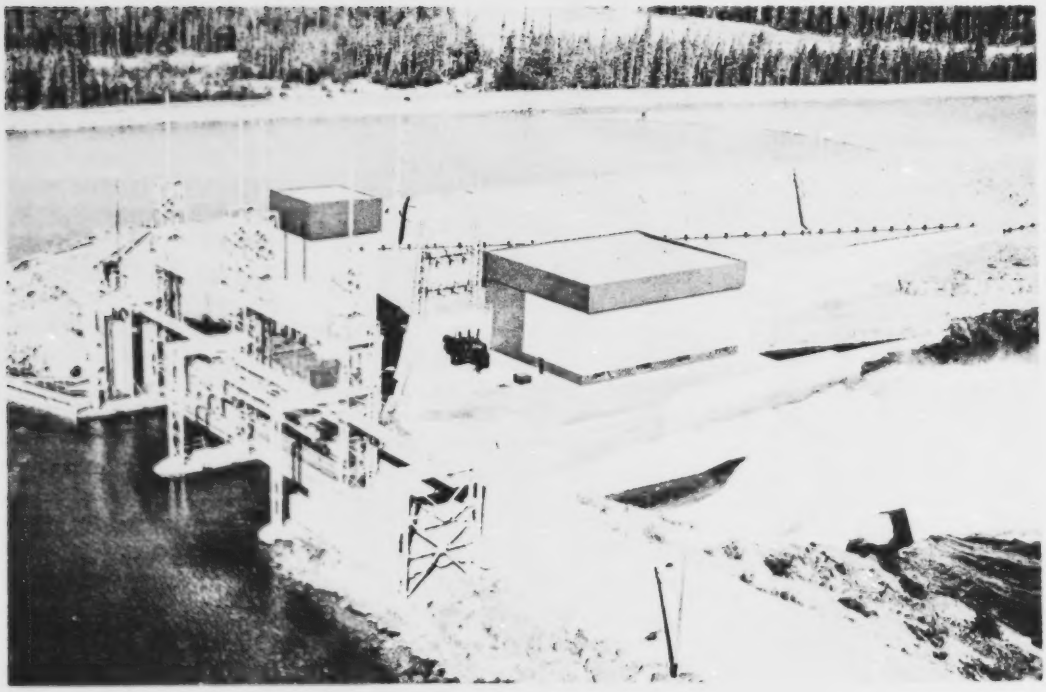
1. Develop northern-oriented programs to improve construction, housing, sewer and other types of infrastructure.

Infrastructure

The infrastructure of the Yukon includes the transportation networks, communication systems, energy sources, municipal services, housing, leisure and recreation facilities. This infrastructure is responsible for transporting goods, communicating information, heating buildings, housing people and providing the standard of life enjoyed by Yukoners.

As infrastructure provides the framework on which public and private development can build, it is an essential link in the process of economic development. In addition to laying the ground work for development in other sectors of the economy, investment in infrastructure creates jobs, provides business opportunities, and generates income for Yukon residents.

The Infrastructure Strategy identifies six components, each designed to reinforce the goals and objectives of the YUKON 2000 Strategy. Integration of these strategies is intended to enable Yukoners to gain equal access to future options and opportunities, maintain a high quality of life, and gain control of their future.



Transportation

The concerns

The transportation network in the Yukon has developed in the face of a number of constraints. Vast areas of remoteness and wilderness, severe geographic conditions, a harsh climate and small markets continue to have a direct impact on the cost of living in the north. Yukoners have expressed the need for a transportation strategy which provides reasonable costs, more accessible levels of service and higher quality.

Yukoners have also stressed the need to upgrade the existing infrastructure before developing any new infrastructure. There is a lot of concern over the poor quality of some of the existing community roads and airports. Concern has also been expressed over the impacts that deregulation may have on transportation in the north. Some feel that a deregulated market may increase costs and decrease air services. Others feel that there is already a need to increase competition among transportation companies.

Addressing the concerns

1. Assess the cost and benefits of transportation developments to local and regional interests. Consult both industry and community representatives.

People in communities throughout the territory want a greater voice in determining the nature and direction of economic development in their region. Transportation developments, therefore, need to be evaluated against local community needs and private interests. Community benefits can be maximized by ensuring that the transportation corridors, facilities and services can be developed and maintained in a way which is beneficial to local people. These benefits can occur by way of job creation and spin-off benefits to the local small business sector. The planning of transportation routes and modes, and the allocation of priorities will need to incorporate local environmental and wildlife values, and address land use plans and competing resource uses.

Competing user conflicts must be given careful consideration. They should be resolved in such a way as to ensure that local people, tourists and commercial carriers can all have access to safe, efficient, inexpensive and socially desirable transportation. While the level of service will vary according to population size, distribution and extent of commercial development, an attempt should be made to develop standards which reflect uniformity and which attempt to provide a fair and equitable level of service.

The construction and maintenance of transportation systems can provide economic benefits to all Yukoners. Investments in transportation, in addition to reducing costs to private consumers through better and more cost-effective routes and services, can sustain local economies during economic downturns. There are conflicting views as to whether development follows the construction of new infrastructure or whether infrastructure will follow new development.

An adequate assessment of community needs, with due respect to the local plans for the regions, can provide cost savings and efficiency and avoid duplication of effort and service. This can best be achieved through consultation with local communities and regional industries to ensure that their needs are supported through transportation development.

2. Integrate management and development of transportation modes within the Yukon.

In addition to wanting greater control over the planning of the transportation network, Yukoners require an integrated transportation system within the territory. Transportation planning should attempt to incorporate the needs of all transportation modes, (i.e. road, rail, air and marine) and their linkages. It is thought that a range of options can better ensure that development meets local needs and minimizes environmental impacts.

All four modes of transportation, air, road, water and rail, require more effective integration. As well, a number of user conflicts need to be addressed. Transportation planning and development is required to provide more timely and cost-effective transportation options. Improved accessibility to all regions of the territory would benefit a number of sectors, including business, tourism, and others. The development of new and improved transportation links to the regions will also serve to reduce costs for shippers, carriers and passengers.

The transportation development strategy should attempt to improve integration with other jurisdictions. A number of transportation obstacles currently impede traffic with Alaska, British Columbia, Alberta and the Northwest Territories. The establishment of regulatory standards, taxes and user charges which are consistent with other jurisdictions, would improve this situation.

Recommendations

1. Review the impact of proposed federal regulatory reforms on all transportation modes.
2. Review all standards and regulations to eliminate internal inconsistencies and harmonize the Yukon transportation system with other jurisdictions.

3. Integrate the Yukon's transportation system with those of other jurisdictions.

More territorial control is needed in order to better manage transportation development in the Yukon. Devolution of responsibilities from the federal government to the territorial government will attempt to eliminate the overlap and duplication of services, thereby minimizing costs and maximizing efficiency. This is particularly important for highways and rural airports.

A number of recommendations have been suggested, as follows.

1. Devolution of full responsibility for rural airports from the federal to the territorial government.
2. Establish a separate Yukon Government agency for management, planning and development of air services and facilities.
3. Devolution of full responsibility for roads from the federal to the territorial government.
4. Conduct regular reviews with industry and community representatives to identify specific requirements for planning and integration of the Yukon transportation system.
5. The departments of Community and Transportation Services, Economic Development, Renewable Resources and Tourism should conduct an annual review along with the communities to identify existing and potential user conflicts.
6. Develop a policy outlining criteria for the provision and allocation of routes.

Energy

The concerns

A number of studies identify energy costs as a significant drain on the Yukon economy. Yukon residents and industry spent some $92 million in 1985 to meet their energy needs, of which an estimated $74 million or approximately 80% was for imported refined petroleum products. The extent to which energy has inhibited economic development is not completely clear. There is some debate as to whether an effective and affordable supply of energy will lead to increased development, or whether increased development will lead to lower energy costs. However, energy expenditures have, for the most part, a negative impact on the economy.

Two important factors in energy expenditures are the amount of money Yukoners spend on energy and the source of their energy supply. The total amount spent by residents affects personal incomes. In the case of industry, expenditures reduce competitiveness, profitability and the incentive and ability to invest. Clearly, the more that Yukoners can reduce their energy expenditures, either through more efficient use of energy or through lower prices, the less of a constraint energy will be on development.

Source of supply is important because it determines the extent to which energy expenditures support local or non-local businesses. In the event that local suppliers can meet a greater number of local needs, energy itself will serve as a greater stimulus to the Yukon economy, thus reducing the adverse effects of energy on the economy. Some Yukoners, however, have presented the view that increased economic development will lead to lower energy costs. There are three alternatives that Yukoners can consider

to reduce these adverse effects of energy costs: conservation, different sources of supply and more efficient (lower cost) delivery of supply.

A final concern relates to the environmental aspect of energy development. The use of wood heat, for example, needs to be carefully monitored in order to avoid over harvesting. There is also concern that major oil and gas exploration and development activity in areas such as Old Crow will be damaging.

Addressing the concerns

1. Substitute local energy resources for imported energy forms, where it is technically feasible and cost effective to do so.

Research and development of local energy supplies, to be used as substitutes for imported forms of energy, particularly oil, are consistent with the goals of Yukoners. Many felt that the government should take the lead in energy research and technological development. Other fuel sources may include coal and natural gas. More self sufficiency, with respect to energy supplies, may enable more control over the economy and diversify its base. Moreover, the use of cost-effective local energy offers Yukon consumers security of supply, stability of costs, and some freedom from dramatic fluctuations in world prices. For example, woodchips, microhydro, solar, waste burning and other alternative energy sources offer a means to reduce the negative influence that energy costs have on growth. Overall, the use of renewable and indigenous energy sources offer Yukon businesses and communities a more stable economic environment in which to make their plans.

In consultation with the private sector and community representatives, public funds can be effectively used for research and development of new energy options. Such a strategy should also ensure that the benefits from new initiatives flow equitably to all regions. In order for research and development to be effective, a long term financial commitment is required.

Recommendations

1. Conduct research into small hydro, grid extension, pricing and other options to reduce electrical costs.
2. Assess the impact of industry structure on prices of imported fuels.

2. Assess new energy developments considering the direct and indirect economic benefits to local communities.

Yukon people seek an economic environment that affords them economic security and stability. Economic spin-offs, such as training, job creation and increased support for local businesses are likely to be greater with the development of local indigenous energy supplies than with imported petroleum products. New energy developments should be assessed for the degree to which they stimulate the local economy, not drain monies from it. Communities and the private business sector should have the opportunity to express their views of the benefits and costs attached to any energy development.

Recommendation

1. Consult with industry and community representatives to assess costs and benefits of new energy initiatives.

3. Improve the cost-effectiveness of existing energy sources through an examination of distribution costs and conservation methods.

Yukoners want an acceptable quality of life and equality of opportunity throughout the territory. This means they want a fair and equitable distribution of energy costs among Yukon consumers. For residents this affects incomes; for industry it affects competitiveness. The key is whether Yukoners are minimizing energy costs and are utilizing local sources to the extent possible.

Specific regional and local conditions must be given careful consideration in order to ensure maximum economic benefits to energy users in each region of the Yukon. To this end, close consultation with communities and private businesses will ensure that local needs and expectations are met.

This objective seeks to enhance the Yukon economic environment by reducing the drain on personal and business incomes. We could accomplish this by reducing the delivered price of imported fuels and by encouraging conservation measures in the transportation and building sectors. Conservation is by far the most beneficial way to reduce energy costs and reduce leakages from the Yukon economy, particularly in the residential and commercial-institutional sectors. Better energy conservation methods are especially required in government housing.

Recommendations

1. Assess the impact of direct and indirect energy subsidies on energy use and the effectiveness of other government programs.
2. Assess the impact of electricity pricing structure on energy conservation and fuel substitution goals.
3. Improve conservation program delivery mechanisms for rural and native residents.

4. Conduct further research into the conservation potential in the transportation sector.
5. Continue support for education programs promoting energy conservation.
6. Establish energy conservation as a central component in the design and construction of all new public buildings.
7. Review building codes to determine where energy conservation can be introduced in a manner that is cost effective.

4. Ensure an equitable distribution of energy costs among Yukon consumers.

If Yukoners are to continue to make their living in all regions of the territory they must enjoy a comparable quality of life. Similarly, initiatives to diversify the economy rely upon an equality of opportunity whereby no region of the territory is placed at a competitive disadvantage through excessive energy costs.

Maintaining a secure source of supply and stable energy rates over the long term are vital to eliminating the boom-bust of development that has characterized Yukon economic life to date.

Recommendation

1. Establish an energy pricing policy for the Yukon.

Communications

The concerns

The impact of an integrated communications system cannot be assessed merely in terms of communications technologies or services. A broadcasting system delivers programming from across the country and around the world, thereby enhancing the exchange of information within and between small communities. An effective communications network, therefore, has significant social and cultural impacts. Furthermore, a telecommunications system which contributes to the efficiency and productivity of business will have significant economic impacts.

In light of the pervasive influence of communications in modern society, governments, local communities and individuals who are planning for, and actively seeking to shape their own future must see communications as an instrument of economic, social and cultural development.

Addressing the concerns

1. Ensure a satisfactory level of broadcasting and telecommunications services for Yukoners throughout the territory.

Yukoners want a quality of life equal to that of other Canadians. This implies having access to an equivalent level of services. Broadcasting and telecommunication services can enhance the social and economic life of Yukoners, regardless of the region in which they live. This can be done by improving communication with other Yukon communities as well as other jurisdictions. Yukoners, particularly in small communities, would like more TV channels. They would like to see a Yukon news segment and more local content in TV and radio programming. CBC radio signals could be improved to extend coverage along the highways. Lower telecommunications rates and improved broadcast programming could benefit all regions through an integrated communications system.

Conditions of extreme climate, rugged geography, limited infrastructure, and remoteness of communities and markets are obstacles to development throughout the Yukon. Many of these barriers may be overcome by advanced communications technologies. All communities should have the opportunity to take advantage of the social and economic benefits that new communications technologies may offer. Emergency communication should also be made possible along highways and traplines.

In assuming a lead role, government can ensure that services and technologies are integrated to best serve all regions and economic sectors. This should be done in an equitable and cost-effective manner. Government can also assist communities to overcome a number of other obstacles: the lack of information on new advances and alternatives, and problems of high capital costs on infrastructure which offers a low rate of return.

Government should participate in the federal-provincial-territorial communications policy process to ensure that federal policy is sensitive to Yukon concerns, especially those relating to small, remote communities. There is a need for local programming and news which reflects community interests.

Recommendations

1. Develop a policy to improve access for Yukon communities to a choice in telecommunications services at reasonable rates and consistent with national standards.

2. Adopt an integrated communications system policy.
3. Participate in federal-provincial-territorial communications policy development and regulatory processes.

2. Use emerging communications technology in the most appropriate manner for individuals, businesses and communities in the Yukon.

Improved communication technology plays an important role in providing remote communities with improved access to government services and programs. The use of radio, television, telephone and satellite links have important implications for improving the quality of life in many communities. Examples include distance education, remote sensing and health care services and the dissemination of data and information to rural residents. However, while the use of communications and videos for education is required, it is important that the technology be associated with a more comprehensive educational system. Access to a year round teacher, for example, would improve the effectiveness of video education. Finally, communications can be used as a means to preserve and enhance local cultures. The local Indian culture and language, for example, can be protected and developed through a communications policy. At the same time, however, it must be recognized that increased access to a wider choice of TV programs could conflict with other community, leisure or volunteer activities.

Recommendations

1. Establish a mechanism for ongoing consultation with interested community, industry and business representatives.
2. Establish a mechanism for quickly providing information from government to all Yukon communities.
3. Establish a mechanism for monitoring and reviewing advances in communications technology as they might apply to other government goals.
4. Develop, with the Department of Education, a strategy for increasing the availability of broadcasting and telecommunications services in distance education.

3. Support and strengthen the Yukon economic environment through enhanced availability and quality of communications services and the development of the communications industry.

Gaps exist in the availability of basic telephone services and specialized telecommunications services. A number of programs could be designed to provide local residents and businesses with access to telephones and related services, (i.e. use of modems with computers). Closing these gaps could have direct economic impacts enabling a larger volume of users to have access to services. This would allow them to operate more efficiently and productively.

Efforts to improve communications services should consider how they can maximize employment and business opportunities for Yukoners. Support for local television programming and production could stimulate job creation in a local broadcasting industry. Basic telephone service needs to be improved in smaller communities. This could be accomplished by ensuring that pay telephones are accessible 24 hours a day.

Recommendations

1. Assess the costs and benefits of improving specialized telecommunications services to all Yukon communities.
2. Evaluate the costs and benefits of improving the amount of Yukon-produced broadcasting available to Yukon and national audiences.

Municipal Infrastructure

The concerns

Municipal infrastructure and housing are important areas of social and economic life for Yukon residents. This infrastructure is assessed very carefully by Yukoners when choosing a place to live. The availability of certain infrastructure affects their decisions on where they wish to live, make a home, raise a family, work and plan.

In making these decisions, Yukoners want assurance that they will be comfortable, safe and secure in their homes, at school, on the the road and at work. Municipal infrastructure development must meet all of these concerns.

Addressing the concerns

1. Use infrastructure development to promote local employment, business development and enhance the quality of life.

The development of municipal infrastructure provides the services which make most communities viable. For example, roads, water supplies, waste disposal, electrical power, communications systems, recreation and educational facilities are basic to the quality of life of most Yukon people. They are the bedrock upon which the social and economic life of the Yukon sits.

A community's infrastructure contributes to making it an attractive and desirable place. Adequate infrastructure contributes to a stable community life and a stable work force through

the services it maintains, the jobs it creates and the local business development it supports and attracts. Government support for infrastructure development, especially when it is used to stimulate local training, employment and business development, is a powerful economic tool in stabilizing local economies across the Yukon. Public funds can benefit local economies if careful consideration is given to ensure maximum benefits to local residents, workers and businesses.

Recommendations

1. Establish a business incentives policy for local government.
2. Establish a policy for the use of local materials for local and territorial governments.

2. Devolve and decentralize responsibility for infrastructure management and planning, and delivery of municipal services to local communities as they request it.

Decentralizing responsibility for management, planning and delivery of municipal services is essential if local people are to benefit fully from infrastructure development. This includes developing and maintaining services locally. Devolving the authority for municipal infrastructure to communities gives local people full control over their own affairs and enables them the opportunity to reap the full benefit of community development.

Community-based economic and land use plans offer local people a guide for short and long term economic development in their region. Local economic and land use plans are a reflection of local ideas about the direction, type and rate of development that is desired. As such, they should be used as a framework for decision-making.

Support is essential if local people are to assume full local control of their own affairs. An excessive burden of responsibility for management of municipal planning and development will be placed upon local administrators and currently over-worked volunteers without this support. Some help from YTG would be required for such services as financial assistance and for the cost of hiring a town manager. YTG staff placed in the communities would also help to stabilize the communities' employment base.

Local people should also be entitled to the financial resources and training opportunities that will allow them to assume more local control. More training and development for bands and communities is required in order to transfer these responsibilities. A number of new person-years will also be required to facilitate these training requirements.

A number of inequities occur between municipal governments and bands, the bands frequently having a lower level of services. This often occurs because the municipalities and the bands are serviced through different programs and government departments. This results in a duplication of services and higher costs. Many Indian bands have expressed the need for more cooperation between the federal and Yukon governments.

Recommendations

1. Promote the devolution of responsibilities for infrastructure to communities and bands.
2. Establish local training programs for residents in municipal management.
3. Encourage community-based economic and land use plans.
4. Identify gaps in present community infrastructure by community.

3. Maintain and develop community infrastructure according to standards which reflect regional conditions.

To ensure an acceptable quality of life in Yukon communities, capital standards should be consistent both within the Yukon and with those in other provinces. This includes band infrastructure as well as municipal infrastructure. Comparisons with services in other jurisdictions must take into account the unique character of the Yukon, costs associated with development, the climate and the remoteness of the region.

Capital funding should incorporate design standards that reflect regional conditions and cultural preferences. Yukoners have recommended that public funds should be applied to upgrade the infrastructure in existing communities. The development of new single-industry towns should be avoided.

Recommendations

1. Conduct research into new developments in northern and rural infrastructure to reduce operating costs.
2. Establish on-going reviews and status reports for all community infrastructure.
3. Integrate design and capital standards in community capital plans and supporting government programs to reflect local conditions and cultural preferences.

Housing

The concerns

As shelter supports all other aspects of health, education and general welfare, it is an essential element for any society. In the cold climate of the Yukon and other parts of the north, quality housing is especially critical to human existence.

People with inadequate shelter suffer from a variety of health problems. Children experience learning difficulties and are less able to acquire

skills. Inadequate housing also has a major effect on the elders of a community.

Great progress has been made in many parts of the country and while Canada now has one of the best housing stocks of any nation, many Yukoners lack adequate and appropriate housing at affordable prices. Indeed, some of the worst housing conditions in Canada can be found in the Yukon with many households living in conditions well below the national average.

Housing conditions and the need for additional housing can best be viewed as an opportunity, rather than only as a problem. A well thought-out and carefully implemented housing strategy presents an opportunity to contribute to economic development, improve the quality of life, and achieve greater economic equality.

A number of special problems exist in band housing. For example, mortgage guarantees by the federal government take a long time to receive approval. A number of federal restrictions control where the bands can build their houses and there are insufficient funds available to build the houses.

Addressing the concerns

1. Provide access for all Yukoners to good quality, appropriate and affordable housing.

Good housing is fundamental to individual well-being and to full participation in the day-to-day activities of our society. A significant number of Yukoners, however, have unmet housing needs. Policies and programs which assist these people should be reviewed and up-dated on an on-going basis. Special consideration should be given for the design and delivery of special-needs housing. It is the responsibility of government to ensure that the quality of housing is improved to meet national standards, Yukon conditions and cultural circumstances.

Without a clear definition of the roles and responsibilities for the private and public sectors in meeting housing needs, the delivery of new housing will be inefficient and inadequate. Where incomes are sufficient, and especially in communities such as Whitehorse, where the housing market is robust, the private sector can likely provide the most efficient delivery of new housing.

The creation of alternative financing arrangements, particularly for rural communities, would encourage more individuals to assume responsibility for home ownership and promote stability of residency in the Yukon. While Yukoners want more private ownership of housing, they cite problems of prices, insurance costs, and quality of housing stock.

In cases where incomes are low, and housing studies have confirmed some serious deficiencies, public efforts to deliver social housing may be warranted through the Yukon Housing Corporation and the Canadian Mortgage and Housing Corporation. Government should work closely with community-based groups in these efforts, assuming direct delivery only when there is no other group to provide the program or service.

Recommendations

1. Develop alternative financing programs to encourage home ownership, especially in rural Yukon.
2. Develop information systems that will develop factual and measured statistics on the status of Yukon housing at regular intervals.
3. Conduct research into better meeting the requirements for adequate, appropriate and affordable northern housing.
4. Review housing programs on a regular basis to ensure they meet the demand and the need in a cost-effective and efficient manner.
5. Encourage the construction of super-insulated homes.
6. Review the building code.

2. Devolve and decentralize responsibility for administration and delivery of housing programs.

Increased responsibility of communities and individuals for housing development and housing programs can stimulate local community development. Communities and individuals should participate more fully in the delivery of their own housing. Communities want more control over social housing, including the dwelling types, number to be built, where they are built, and who can qualify.

There are a number of ways in which this can occur, for example, housing cooperatives, tenant involvement and the development of community organizations. Such organizations provide training and contracting of services, and can produce more cost-effective operation and more appropriate services. The roles of bands, the Council for Yukon Indians, local housing authorities and associations can also be enhanced to provide more local control over housing.

For housing to play a positive role in the social and economic development of the community, there needs to be a process whereby community housing needs and desires are considered. Community planning should be supported by government.

Recommendations

1. Decentralize and devolve housing programs to community organizations and individuals as they are requested.
2. Develop alternative strategies and programs to meet housing demand including the construction of rental units and housing cooperatives.
3. Encourage the development of community plans.

3. Use housing development to promote local training, employment and business development, and enhance the quality of life.

The purchase of a house, especially a newly-constructed one, has positive impacts on the economy and on the local community. Housing construction and renovation can create useful employment, especially if it uses the services of the local contracting and business community. A resident work force keeps money in the community and enhances support for local suppliers and retailers. Support for human resource development in housing administration is essential if local people are to assume full control of their own affairs.

The use of Yukon materials and manufactured items in log and frame construction, as well as the use of wood for heating provide an opportunity to stimulate northern industry and the renewable resource sector.

Recommendations

1. Consult with local interests to ensure economic opportunities in the local community are maximized.
2. Establish training programs for local residents in housing administration and building trades.
3. Establish a local materials policy and identify construction materials and supplies that can be economically produced locally.

Leisure and Recreation

The concerns

Recreation and leisure activities have not been recognized for their value as economic tools. Seen as pastime diversions from work, their economic significance has frequently been overlooked.

For Yukoners, recreation and leisure offer three essential benefits to their economic life: 1) they stabilize Yukon communities by making them attractive places to live, 2) they create employment opportunities in the service and construction industries, and 3) they create strength in a Yukon cultural identity. Recreation and leisure planning, when considered in the context of an economic development strategy, can maximize these benefits.

Addressing the concerns

1. Integrate recreation and leisure planning into the community and territorial economic development strategies at the community and territorial levels.

Recreation and leisure activities, including sports and cultural activities, make significant contributions to the economic life of Yukon communities. Such activities encourage the purchase of equipment and services, and enhance the general quality of life for their residents. In addition, volunteer participation in recreation activities represent a significant contribution to the Yukon economy. The recreation industry is expanding for a number of reasons. Increasingly, recreation is being recognized as an important aspect of life. Also, our society is experiencing an increase in leisure time. Finally, a wider segment of society now has access to a range of recreational opportunities.

Recreational activity tends to be labour intensive and has thus contributed to the overall growth of the service sector. Opportunities for leisure and recreation activities are now important considerations in attracting new residents and businesses to a community. Potential linkages of recreation to tourism need to be given careful consideration in recreation and tourism planning. Effective planning can ensure maximum benefits accrue to the local business sector, and in local job creation.

Recommendations

1. Integrate recreation planning and development into community economic development initiatives.
2. Identify and develop the links between tourism and community recreation programs and facilities.

2. Enhance local control of recreation and leisure activities through increased emphasis on human resource development.

The development of recreation should be the responsibility of local government and community organizations. Community residents are well placed to plan, develop and implement activities and attractions that will meet their needs and reflect the development decisions of their community. Government has a role to play in ensuring that community groups, elected officials and administrative personnel have the skills, knowledge and resources to carry out their responsibilities effectively. Without this support, the burden on local residents and organizations, particularly in the volunteer sector, will become excessive. In addition, responsibility for capital spending provides

communities with the opportunity to develop local recreation facilities that can best meet their overall development objectives, and maximize local employment, materials and resources. The government can support the communities through land grants, funding for operation and maintenance, and subsidies in cases where the population base is too small to support recreation facilities. Financial assistance can also be considered for part-time recreation directors.

Recommendations

1. Establish local training programs for residents in recreation management planning.
2. Recognize the significance of the volunteer sector as an integral part of the economy and as central to a healthy community.

3. Encourage the participation of all Yukoners in recreation and leisure activities, especially with respect to cross-cultural development.

Recreation provides a vehicle through which both Indian and non-Indian cultures can freely express themselves, better define their identity and work cooperatively.

Special consideration is needed for those groups who are recognized as being socially and economically disadvantaged. Government support can encourage increased involvement of these groups in sports and arts activities. Assisting these groups to meet their cultural and educational needs can lead to their more effective participation in Yukon economic life.

The Industries

What is needed to encourage the development of our twelve different industries has been discussed by Yukoners over the last year. Workshops with people in the industries, the public and interest groups were held. People also added their comments and perspective on the industries through their involvement in the community consultation process and their participation in other YUKON 2000 forums. The industry papers presented below reflect the areas of general agreement. They also reflect areas of concern, and outline where major differences of opinion exist.

Each of the industries is discussed under the headings **"What we have", "What we need"** and **"How to get there".**

"What we have" provides a short description of the industry and the shape it takes in the Yukon.

"What we need" presents some general ideas about the kind of direction or philosophy that might be used to guide the industry's future development.

"How to get there" reflects the specific suggestions and recommendations made by Yukoners to foster the industry's progress.

The industries themselves seem, at first glance, quite different. Many of the industry concerns though, represent common problems and experiences rather than differences. Some of these areas of common interest and concern are outlined here.

Training came up for discussion in all industries. The emphasis surrounding the question of training is often on the method of delivery rather than its content. Yukoners want training to be practical. On-the-job training opportunities should be developed; there should be more opportunities for apprenticeship training and training opportunities must be tailored to the needs of the industries. Business training is a high priority. Business owners and managers also need contact with others in their fields to exchange ideas and gain from the experience of others.

Another side of the training issue concerns the needs of the people taking the training. Different, more imaginative and flexible ways of delivering courses should be explored; support systems to help trainees should be put in place; and training should not always be a formal experience.

Employment issues are frequently tied closely to concerns about training. The hiring of Yukoners for jobs in our industries and in government is a major point of agreement as is hiring of Yukon businesses. An overriding concern in this area though is the maintenance of high standards of performance.

Financial assistance, or the difficulty in getting it, is another concern in most industries. Businesspeople report difficulties in getting assistance from banks and other private financial institutions. Government is seen to

have a role in providing financial assistance where the private sector cannot or will not invest. But Yukoners are concerned about the potential for subsidizing unfair competition between businesses. People are also frustrated with the way that some financial assistance programs work; programs are too complicated, there is too much paperwork, the criteria for decision-making are unclear and the decision-making process takes too long.

Yukon's businesspeople would like help and advice about **marketing their products and developing new ones.** They would like people to buy locally made products and would like help to develop a "buy-local" campaign. Some businesses would like to explore the potential for exporting their products. Cooperative buying, marketing and promotion, including advertising and packaging, is another area where interest is often expressed. It is expensive for individuals to conduct their own market surveys and research, and assistance would be welcomed.

Another area of common concern surrounded the **costs incurred in doing business in the North.** Insurance costs are high for transportation companies, wilderness operators and others who must invest in liability insurance. Energy and transportation costs are also high, and ways to reduce them need to be investigated.

Institutional factors and government regulations need to be reviewed to make it easier to do business. Some regulations, such as those associated with the forestry industry, are linked to the devolution of responsibility from the federal to the territorial government. Other regulations may actually hamper business activity, for example the regulations controlling the sale of animal products for crafts production. Government contracting regulations also should be reviewed to ensure that they are in line with industry needs and capabilities.

Last, but certainly not the least important, is the need for **improved communication.** Communication could be improved between and within the different industry sectors as well as between government and the industry. For example, the mining industry wants to talk more frequently to government, the agriculture industry needs information about the status of land-transfers; training programs need to be better publicized, particularly in the communities outside Whitehorse, and retailers and manufacturers need to discuss products for potential sale.

These reflect some of the major concerns expressed by many of the Yukon 2000 participants. Those more specific to the different industries are discussed in the different industry chapters.

Construction

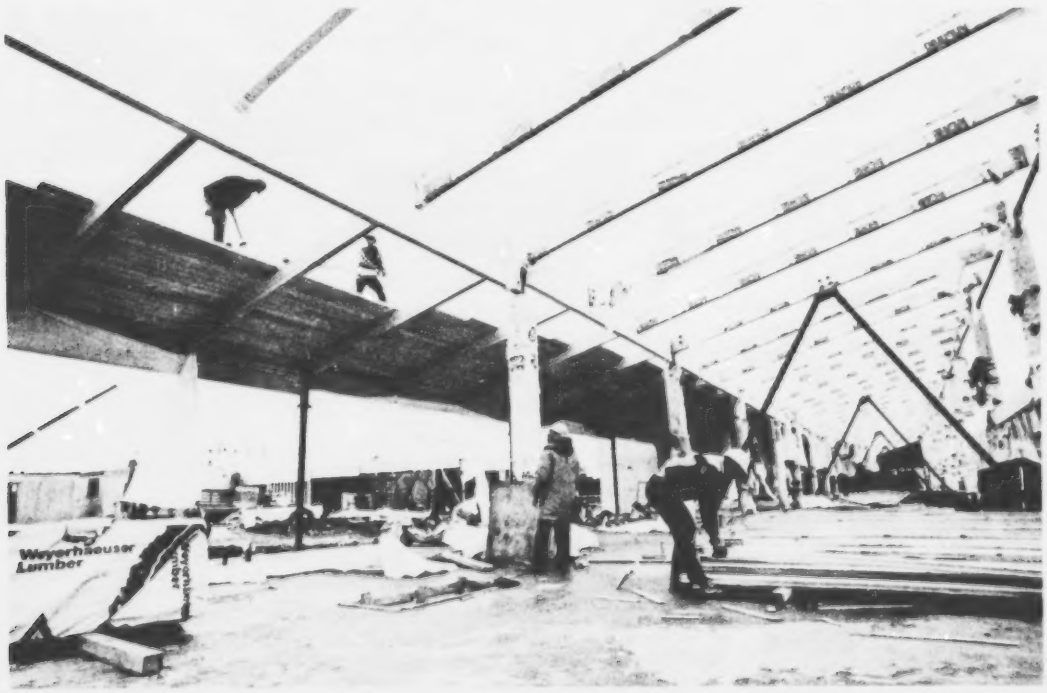
What we have

The construction industry includes industrial, commercial and institutional building contractors, civil contractors specializing in highway and municipal service construction, and companies and individuals involved in housing construction and rehabilitation.

In the Yukon this industry consists of between 150 and 200 firms. In 1986 about 20% were owner-operated companies, probably individual tradespeople offering contract services. The other 80% included about 55 general contractors and 75 special trade contractors.

In 1986, the value of new construction in the Yukon was estimated at $119 million, while that of repair construction was $60 million. The construction industry is a significant part of the Yukon's economy. Indeed, if we take into account the size of our population, spending on construction is much greater in the Yukon than in other jurisdictions in Canada. Activity in the construction industry is related to activity in other sectors. For example, construction supports other industries such as tourism through road building, site development and building services. As well, it provides housing and retail space in response to activity in other sectors.

Roads, airports and government buildings are constructed through federal, territorial and municipal government initiatives. Government construction is more important, proportionately, in the Yukon than in other jurisdictions, suggesting that government



activity in the industry can significantly affect the industry's health.

What we need

The further development of the construction industry depends on the healthy growth of the Yukon economy as a whole, as well as on the growth of the construction companies themselves. People active in construction as well as the public have suggested several ways in which Government can foster this growth by adapting its own procedures to better fit the context in which the industry operates. In considering Government's role, however, industry representatives strongly feel that the role of government should be to **support and encourage the development of opportunities within the private sector so that Yukon construction businesses can grow as entrepreneurs and employers.** They suggest the government can facilitate the participation of Yukon companies in the construction industry without creating unfair competition. At the same time, government must take care that programs designed to help the industry do not weaken it by artificially stimulating the creation of more firms than the Yukon can naturally support.

More specifically, practical help can be provided by altering government's tendering procedures and policies so that government projects may be tendered as early as possible, thereby extending the Yukon's short construction season. The development of financial assistance programs for builders and potential homeowners would also provide further opportunities for growth. Representatives also suggested that additional skilled tradespeople will be required if further growth is to occur within the industry. Thus, the government can help by developing the training programs needed to build a pool of skilled labour within the territory.

Yukoners recognize that **government-funded construction is an important tool for community development.** For example, local hire policies and the purchasing of local materials, can encourage the development of employment and business opportunities within our communities. Similarly, residents can take advantage of the local training and employment opportunities arising from building projects. Also, by ensuring that local residents participate in community planning for government-sponsored housing and other construction projects, further community development can be fostered.

Long-term employment and business opportunities can be maximized by spreading large projects over time; for example, by building only a number of social housing units in a given year, rather than all the needed units in one year. Such a construction job can be extended over two or three years, thus providing some stability to a community's economy. It would also reduce the need to import tradespeople and other workers from outside the Yukon. **Clearly, the construction industry can be used to stabilize economic activity within the territory's communities.**

People familiar with the construction industry point out that the **links between construction and the other sectors which produce goods can be strengthened.** The use of local lumber, locally-made cabinets and other construction-related items will improve the overall health of the economy.

How to get there

1. Tender Government construction contracts as soon as the capital budget has been approved by the Legislature.

As noted, the construction season in the Yukon is short; it is therefore important for projects to be tendered and for construction to begin as early in the season as possible. The Department of Government Services could put approved projects out for tender as soon

as the capital budget is approved in the fall. Contracts could then be signed and work could begin right after the start of the Government's new fiscal year in April. This would substantially lengthen the amount of time available for construction work.

2. Stagger the closure dates for government tenders.

When government tenders all close at the same time it is difficult for some companies to tender for more than one contract. Companies also have difficulty when one bid is unsuccessful and the dates for other tenders have already closed. Therefore, staggering the closure dates of tenders would allow companies to spread their activities over the entire construction season and thereby avoid work shortfalls. It should be possible to stagger the dates so that the potential effects of the earlier tendering described in recommendation one would not be undermined.

3. Construction projects ought to be tendered only in the Yukon and not in larger centres to the south.

This would make it more difficult for companies outside the Yukon to bid on contracts, and would give Yukon companies a significant lead in preparing their proposals.

4. Provide a financial assistance program to help Yukoners purchase, build, upgrade and own property.

Many Yukoners feel that if suitable financing packages were available, more people could be encouraged to buy and/or build houses. Mortgage funding is difficult to obtain in communities outside Whitehorse, and house construction is very expensive throughout the territory. These two factors limit the number of people able to buy, build or improve housing. A second mortgage program at favourable interest rates would encourage more people to buy and build houses. This would not only help develop the industry by creating more demand, it would also increase the housing stock in the territory.

Government could also explore ways to reduce or assist with interim financing for home construction and to lessen homeowner insurance costs.

5. Break large contracts into smaller ones.

Industry representatives are convinced that Yukon construction companies have the potential to develop. There is, however, some concern about stimulating the artificial growth of smaller companies to levels that neither they nor the Yukon's small population can support. Government could encourage sustainable levels of growth by breaking large contracts into smaller ones, thereby enabling smaller companies to participate. This would also increase the number of Yukon-based firms that could participate. On the other hand, it was pointed out that breaking large contracts down into smaller ones could reduce the amount of time any one company could work on a project and this could reduce the training opportunities for apprentices who must work a specified number of hours under supervision. If contracts are to be divided it must be done with great care so not to jeopardize training opportunities. Their preservation must remain a high priority.

6. Increase the pool of skilled labour in the territory in consultation with unions, the construction industry and the communities.

Local contractors would be more able to take on new projects if the territory's pool of skilled labour was increased. Not only would this mean that contractors could take on new jobs, it would also help to maintain existing property and tradespeople would be better able to earn their living doing maintenance work.

Training is one obvious way to increase the number of skilled tradespeople. The Department of Education is conducting two major studies in cooperation with the industry and labour: The Trades and Technical Trades Survey which is to be completed during 1987 and the Joint Apprenticeship Study which is due for completion in 1988. These major studies will assess the training needs of the construction industry and suggest ways to make apprenticeship programs more accessible, particularly to rural people, Indian people and women. Many community groups and bands have expressed severe frustration with the current apprenticeship program. These frustrations include the ratio of apprentices to journeypeople, shortages of journeypeople willing to work in rural settings and costs associated with the apprenticeship system.

As these studies are conducted, the Government should continue to improve existing training opportunities. These must flexibly respond to the practical needs of participants; for example, the potential for increasing the number of apprentices supervised by one journeyperson could be explored.

Training a large skilled labour pool takes time; in the meantime, therefore, actions should be taken to increase the skills of Yukoners, such as encouraging the transfer of skills from imported workers to Yukoners when it is necessary to hire or contract from outside the territory. Again, care must be taken to encourage growth that does not limit training opportunities within the Yukon.

7. Provide government guaranteed contract security to a specified amount for companies unable to obtain bonding through traditional means.

The Government's requirements for contract security present a problem for some construction companies, particularly small companies and those in rural areas. Security deposits, bid bonds or performance bonds are required according to the value of the contract. First-time contractors, newly formed

companies and those wishing to expand may encounter difficulty in obtaining bid-bonding from a bonding company because they do not have an established history. As well security deposits can tie up needed capital, limit the number of contracts on which companies can bid, and thereby make it difficult for companies to build their track records.

The Government could help by issuing irrevocable letters of credit in amounts based on the size, assets, and financial viability of the companies. These letters of credit could then be used for bidding on contracts. Their use could be controlled by issuing them only for contracts originating with federal, territorial and municipal governments.

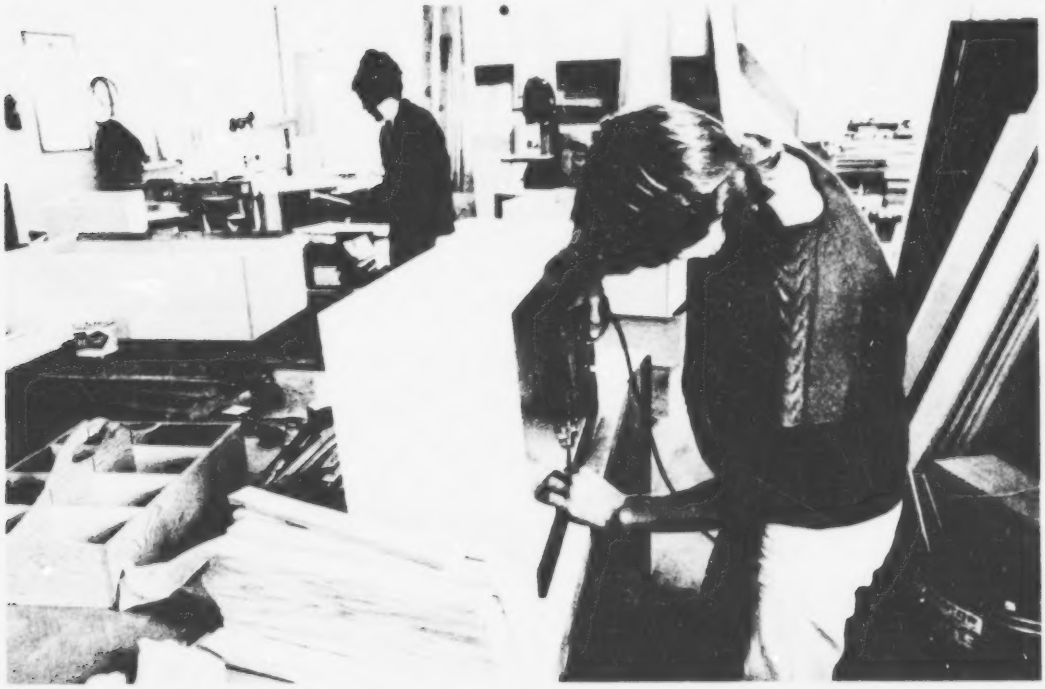
Industry representatives generally support the idea of government loan guarantees. In particular, small and rural business representatives feel that a program such as this would be helpful. However, concerns about the program have been raised. Larger contracting companies feel that a healthier industry can develop without government intervention. They feel that a guaranteed loan program may encourage companies to bid low to stay within its limits. Construction quality could decrease, profit margins could decrease; and the pressure may be taken off companies to perform. These representatives suggest a more appropriate approach would be for the Government to encourage banks to provide financial assistance.

Manufacturing

What we have

In 1985 the manufacturing industry contributed about 11 million dollars to the territory's economy. Today, it supplies a number of different products for our local markets. These include printing and publishing materials, industrial components, food stuffs, and wood products. Among other things, the territory's residents can purchase locally manufactured furniture, sheet metal products, sausage, processed fish, clothing, books, and jewelry. Thus, despite its relatively small size, this is one of the more diversified sectors of the Yukon economy.

The industry employed about 2.6% of Yukon's labour force in 1981. Most were employees of small owner-operated businesses. Of those that did employ others, over 60% had only one to four workers. In addition, the average manufacturer in the territory spends proportionately more on labour than its southern counterpart. Small scale manufacturing requires relatively modest equipment expenditures, thus offsetting these higher labour costs. As a result, the employment impact of a manufacturing business here is considerably greater than of a typical manufacturing firm in another region of Canada.



What we need

In order for the manufacturing industry to develop, it is important to focus on areas where viable opportunities do exist. Many such opportunities have already been identified and acted upon. Items such as the Yukon parka and gold jewelry have become synonymous with the Yukon and have proven their market potential both in the Yukon and in larger southern markets. Others are still being developed.

Another potential area is the substitution of imported products with Yukon made goods. While imported goods are a financial drain on the Yukon economy, locally made replacement products can significantly bolster it. **It is, therefore, important to encourage the selective development of the manufacturing industry.**

Research should be conducted and information provided about the manufacturing industry. Because the Yukon is relatively far from Canada's major manufacturing centres, it is often difficult for local manufacturers to obtain information about recent advances in marketing and production. Local research in such areas could do much to overcome this difficulty by ensuring local firms have access to current local information. More specifically, market and feasibility studies would allow existing and prospective manufacturers to "focus" on especially viable import substitution and speciality products for local, national and international markets. Given the small size and diversity of this sector this could be very beneficial.

As one of the major purchasers of goods in Yukon, the Government can do much to create a more stable market for Yukon made products, by **using and encouraging the use of locally manufactured products**. Yukoners should be made aware that by purchasing Yukon products they can contribute significantly to the local manufacturing industry and to the Yukon economy. Government can assist in the direct promotion of locally manufactured items to Yukon consumers. In doing so, care must be taken to avoid conflicts with existing businesses and wholesalers.

It is important to **encourage the use of locally available resources and the development of skills of people involved in the industry.** Whenever possible, materials used in the production process should be purchased from Yukon based firms. As well Yukoners who have the skills and qualifications needed in this sector should be hired to fill vacant positions. Those who do not, ought to be encouraged to acquire them.

Additionally, the Government should provide training assistance to local firms to allow them to increase the skill level of their employees. As well, owners and managers of manufacturing businesses could be assisted to develop more extensive management and entrepreneurial skills. In this sector, as in others, the Government has an important role to play in providing appropriate training opportunities.

How to get there

1. Assist the sector with the development of new products and markets.

The Government should provide marketing assistance to the Yukon's manufacturing industry. More specifically, Government representatives could promote local products at tourism trade shows, where the people attending are often managers of retail businesses, eager to obtain new products for their stores. As well, the Laberge Lions organization could also be approached to discuss the possibility of dedicating a section of the trade show to "Yukon-made" products.

The government could further encourage the development of new

products and markets by hiring a marketing or product development specialist to help identify potential markets for the promotion of Yukon products. As well, labels identifying the product as being made in the Yukon or made by Yukon Indian craftspeople could be promoted and attached to items.

2. Develop export and tourist markets for Yukon products.

Several local manufacturers of specialty products have demonstrated that there is market potential for their products outside the territory. Clearly, the export and tourist markets provide excellent opportunities for manufacturers of specialty products and naturally complement the limited local markets for these products. It has been suggested, therefore, that the further development of these markets should be encouraged. One possibility could be showcasing Yukon-made items at tourist facilities and attractions.

An Export and Investment Strategy, which identifies how the government can best support businesses involved in markets outside the territory and outlines how the government can provide more specific and coordinated support to the private sector should be developed. In this regard, the government should consider financing and coordinating the creation of an export marketing agency for locally manufactured goods.

The development of export markets will require access to current export information: regulation and inspection procedures governing export to other countries and restrictions on export to other regions of Canada.

3. Encourage the development of a Yukon manufacturing industry through import substitution.

Import substitution can have a direct and positive impact on the manufacturing industry in the Yukon. Profits made by local firms involved in import substitution will likely be spent in the Yukon benefiting the local economy. Therefore, the Government should continue to encourage the substitution of imported products with locally manufactured ones.

In this respect, it is important to discuss the benefits of import substitution with local retailers. Many feel that they will lose business if local markets are developed for Yukon products. The Government should provide information on the contribution of import substitution to the Yukon economy: the benefits to both consumers and local retailers.

4. Make progress payments at various stages of the Government contracts.

Within the territory, the Government is the single largest purchaser of goods and services. However, many of the Yukon's smaller manufacturers find it difficult to supply goods because they often lack the necessary working capital and are unable to access financing because of existing debts, inadequate collateral, and limited experience. The Government could help these firms by paying progressively for their goods and services: in other words, at various stages in a contract. The Government's initial payments could, for example, be made early in the contract period to cover the costs of equipment and materials needed in the manufacturing. These actions could significantly increase the firms' access to working capital, thereby facilitating further production as well as debt reduction.

Another very practical step the Government could take to help small manufacturers is to increase the amount of time contractors have to prepare for and bid on contracts. In order to allow for extending the tender period and progressive payments, the Financial Administration Act should be amended.

5. Promote Government financial assistance programs.

If manufacturing businesses become more aware of the Government's financial assistance programs, they will be in a better position to take advantage of them. The new venture capital program, the improved loan assistance program and the small business incentive program for manufacturers should all be promoted. Existing programs should be better explained to potential clients to ensure they have a good understanding of them.

As well, access to these programs needs to be simplified. Yukoners have expressed concerns with certain stages of the application and approval process; filling out applications and writing proposals have been serious barriers to some who have, therefore, not been able to proceed beyond the initial stages. In addition, unsuccessful applicants would like be informed as to why their applications were denied.

6. Improve the quality and availability of business training within the territory.

Most Yukoners would agree that in order to operate a successful business, an individual must possess a certain amount of acumen and certain basic business skills. This applies to manufacturers as well as other business people. Many need opportunities to further develop their skills so that their businesses can run more efficiently and profitably. There are currently a number of ways that people can obtain entrepreneurial training. For example, the network of Yukon College campuses offer business training at several levels. Business people in rural areas can take advantage of the College's Business Training mobile program. Certificate and Diploma programs in Business Administration, as well as basic accounting and clerical courses, are also offered through the college. Each month

the Federal Business Development Bank (FBDB) holds three seminars in Whitehorse on practical business issues. These seminars are also occasionally offered in Watson Lake and Dawson. The Business Development Office will also help individuals overcome specific business problems. Information on such programs should be made readily available to manufacturing businesses interested in training their personnel.

Areas where needed training and information are inadequate could be improved. Practical training is needed for people who are just starting out in business; often advice and training is most needed at this early stage because good ideas can be lost if a business has difficulty getting underway. Some courses offered to government staff could also be made available to the private sector. Case studies of Yukon businesses could be completed to determine the reasons why some are successful and why others are not.

The cost of training can be a further financial burden to a new or struggling business. The Government should consider offering training incentives; perhaps a portion of the costs could be refunded upon completion of the training.

7. Provide more flexible and focussed training programs for manufacturing.

Training programs could be better tailored to meet the needs of Yukon's various industries. While there is training available through the apprenticeship program and through certain courses specific to the manufacturing industry, it is difficult for many people to access these. Many employees in the industry, therefore, gain experience on the job. Quite often this on-the-job training is less specific in Yukon than elsewhere because employees here are often expected to perform a variety of functions.

The recent training strategy developed by the Department of Education has outlined a number of training options for industries within Yukon. It proposes to increase on the job training programs and complete a major review of industry needs. The trades and technical trades survey and the joint apprenticeship study are intended to ensure that the needs of industry are met as new training programs are developed. The Department of Education also provides a staff consultative service to assist industry in identifying present and future training needs.

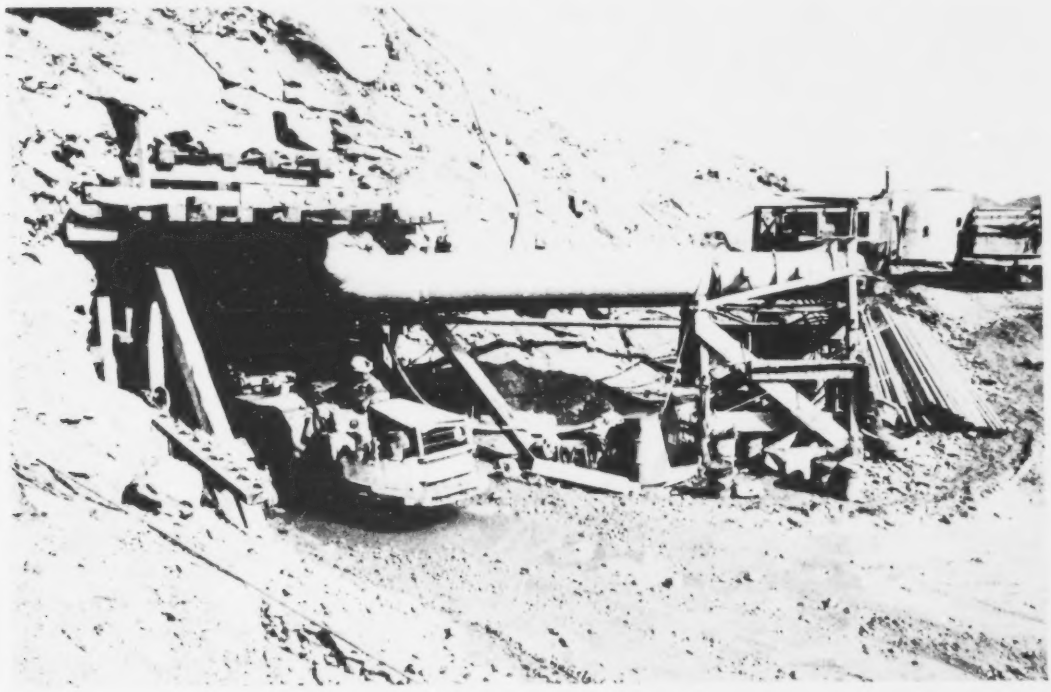
Manufacturing businesses should assist the government in developing on-the-job training opportunities. For example, an industry organization could be established to consult with the Department of Education; it is difficult for the department to consult with the manufacturing industry when no organized group exists. Employees who act as trainers could obtain some teaching skills, which will increase the success of the program.

Mining

What we have

Mining has traditionally been the dominant private sector industry within the Yukon economy. However, through the first half of this decade, drops in the price of base metals significantly altered the industry's position relative to the rest of the economy. For example, while the value of mining was $235 million in 1981, it was just $56 million in 1985. (Figures for those years when significant amounts of lead, zinc and silver production took place may be overestimated by an amount equal to smelter and transportation charges). During this same period the relative importance of gold production has increased. Its value grew from $33 million in 1981 (roughly one sixth of the total value of mining in that year) to $43 million in 1985 (roughly four-fifths of the total value of mining that year).

Today this industry is composed of three sub-industries: hardrock mining, placer mining and mineral exploration. Of these three sectors, hardrock mining tops the employment list; in 1981 975 people worked in the territory's three operating hardrock mines. Placer mining had an annual average of 213 working operations between 1981 and 1985; however, more than 87% of the mines had five employees or less. During the same period placer mining provided seasonal employment for about 700 people. Over the years placer mining has been the most stable element of the industry, contributing significantly to both the Yukon culture and economy. For the 20 to 25 mineral exploration firms based in the territory, exploration activity has fluctuated depending on the expected return for



various minerals. In past years depressed prices have hindered exploration, while tax incentives such as flow-through shares have significantly boosted investor interest. Employment in this area has averaged between 90 and 110; at the same time expenditures for exploration have varied. In 1985 they amounted to about $20 million.

What we need

The federal and Yukon governments should create a climate of "business certainty" to promote the mining industry. The industry needs firm and clear policies and regulations from government to create the kind of business certainty necessary for planning, financing and developing mining. In the Yukon, creating business certainty will be a major challenge. The regulatory and approval process involves many government agencies and pieces of legislation (for example, the Yukon Placer Mining and Northern Inland Waters Acts). Approvals, therefore, tend to be very slow. Land claims and competing interests for land and water resources have also limited the chances for exploration and development. The mining industry has indicated its willingness to discuss how to allocate land on a site-by-site basis so that more than one user can benefit.

The Yukon mining industry is made up of predominantly small firms. Firms range in size from one or two people to what might be considered junior mining companies by national and international standards. Given the great range in size, the Government's approach to the small independent companies must be different from its approach to large mining operations that are based outside, but operate within, the territory. This suggests **the Government should improve its understanding of the structure of the industry and develop appropriate policies to support both small and large mining firms.**

To do this, dialogue between government and industry will need to be broadened. Problems need to be identified sooner so solutions can be found more quickly. In a competitive and changing industry like mining, open channels of communication between government and industry are essential. Therefore, **to speed decision-making, the Government and the industry should work to improve communication channels among government, industry, and other resource users.**

As already noted, evidence suggests that mining activity is subject to great fluctuation. This not only has serious economic consequences but significant social costs as well, particularly in communities where mining is the major employer. There are other negative perceptions of the industry also: that it is an industry largely controlled by interests outside the Yukon and that it is not concerned with care of the environment, safety of its workforce or the development of Yukon communities. At the same time that the Government and the general public must become more knowledgeable about this sector, **the mining industry should work to improve the perception of the industry by the public.**

How to get there

1. Some of the land currently withdrawn from mining activity because of conservation or other reasons could be reassessed for mineral potential.

Industry representatives point out that a good proportion of the Yukon's land is unavailable for mining. There is also concern that even more land may be withdrawn or designated for single or limited use. The industry predicts that the chances of finding minerals will significantly decrease and the industry will decline if this happens. Many Indian bands do not endorse this idea, and discussions between the mining industry and these bands will need to continue in an open and reciprocal manner.

2. The Department of Indian and Northern Affairs and the Department of Fisheries should speed up their talks to settle regulations which will allow placer mining on Yukon streams and rivers.

There are three pieces of legislation which, from time to time contradict each other. The Fisheries Act says fish habitats must be protected; the Northern Inland Waters Act protects water quality; and the Yukon Placer Mining Act grants mining rights. Consequently, these pieces of legislation can act at cross-purposes. The placer mining industry believes different uses can coexist in many areas of the territory. Legislation should make this possible.

3. Government should streamline the application and approval process for permits and licenses.

For the most part, the industry believes it can live with the regulations currently in place. However, a problem exists with the approval process. The industry needs a firm time limit on decisions about applications. This certainty is needed by investors and it will allow the industry to better plan development. Industry representatives suggest that if government does not deal with applications in the allotted time, the project should be allowed to go ahead automatically.

4. The government should proceed quickly to settle the land claims issue.

Mining can provide Yukon's Indian people with good employment and investment opportunities in prospecting, exploration, and mineral production. Community representatives, particularly Indian bands, are asking for commitments from mining and exploration companies to provide opportunities for employment and on-the-job training for local people.

As long as Yukon Indian land claims remain unresolved ownership of land and the right to explore it will remain in question. This uncertainty will hamper the mining industry. Therefore, the Government, together with the Indian Bands and industry, should begin now to prepare for the settlement of land claims.

Joint education and explorations ventures should be encouraged now as well as after a land claims settlement. It is also recognized that decisions about mining on settlement lands or in areas which will affect communities must be made with local participation.

5. The Yukon government should negotiate increased funding from the federal government to increase the geological data base in the territory.

Information about the Yukon's geology is a first step to finding mineral deposits. Getting geologic data is also very expensive — often beyond the means of the small mining companies and prospecting firms that operate in the Yukon. Although the government supports surveys for minerals under a federal/territorial mineral agreement, the funds are inadequate. The industry recommends, therefore, that the funds for geological mapping and geochemical surveys be increased between 1990 and the year 2000 to one and a half times their current levels. This would be about $12 million.

6. The Yukon government should lobby the federal government to expand eligibility rules for flow-through shares.

Flow-through shares have provided a great boost to the mining industry in the Yukon. The industry would like to see these benefits extended to other areas of the industry. This would include broadening the eligibility rules to make placer mining more attractive to investors seeking tax relief.

7. The Yukon government should continue to support road construction.

Transportation costs are high for the mining industry. But current levels of government funding are considered adequate enough to ease this burden. The industry would like to see a review of how the money is spent to ensure that road standards suit the intended use. The mining industry would like to see funding continue until the year 2000, providing it is used efficiently. There is, however, a need to continue to clarify regulations guiding new road construction, for example about the roads to resources program.

8. The Government should consider ways to reduce transportation and energy costs for mining companies.

The distribution of fuel and access to inexpensive sources of energy are two problems which particularly affect the mining industry in the North. Therefore, alternative energy sources should be identified and made available to the mining industry.

9. Provide ways to improve investor-confidence in the industry.

Finding the money for exploration and initial production can be very hard for small mining companies. High risk factors can make bank as well as equity financing difficult, even impossible. Industry and government have to work together to improve confidence in the mining industry's ability to meet its financial obligations. In the Yukon, the industry is confident that it can perform for its investors but they still need to be convinced. Confidence in the industry can be built in various ways; some complement each other.

The Government could establish programs to encourage small operators to establish ore reserves to improve credibility with financial institutions.

The Government could provide partial loan guarantees to qualified operators.

Investment in companies that explore in the Yukon could be encouraged by starting share purchase plans with tax breaks.

The Government could increase funds under the Prospector Assistance

Program from the current $5,500 level to $10,000.

10. The Yukon/Canada Economic Development Agreements should be continued once the current ones expire.

Economic Development Agreements have been beneficial to the industry. They should be renegotiated with the federal government so they continue into the future. However, industry should have greater input into the funding levels and how the programs operate. Communities and Indian Bands also need greater input, for example in funding levels, program directions and research initiatives. Community members need training opportunities so that they can participate in research activity.

Given the importance of placer mining to the territorial economy, funds under the Economic Development Agreement should be increased for research into the enhancement of the industry. New areas have to be found, and materials handling techniques need to improve.

11. Industry representatives should have the opportunity to meet quarterly with government officials and annually with government ministers to discuss mining issues.

Such meetings could substantially improve communication among government, industry, and other resource users and therefore speed decision making. Working together, industry and government can make development of mining a priority. At the very least, improved communication will ensure government does not knowingly or unknowingly work against mining. Therefore the mining industry considers that closer contact with the Government could be beneficial. As well, the Government needs to be as fair to all resource users as possible.

12. The Yukon Government should encourage dialogue between resource users so conflicts and potential problems can be dealt with in a timely and fair manner.

The mining industry supports multiple use of land. If this is to work the industry will need to inform other users, and be told by other users, about possible resource-use conflicts so that informed decisions, particularly about the allocation and scheduling of land and water resources can be made. Increased dialogue would help to clarify the guidelines and regulations used for decision making and would reduce the distrust felt by some industry and community representatives in the resource allocation process.

Cultural Industries

What we have

Cultural industries employ the skills and talents of visual artists, craftspeople, writers, performers, broadcasters and film makers. Culture is an integral part of Yukon life; cultural activities contribute to the quality of life in the territory for everyone. A community with varied cultural and recreational activities entices people to stay and live. The result is a more stable society.

Cultural industries probably make only a small contribution to overall income and employment in our economy. Some of the reasons for this include our small local population, a short tourist season, and the great distance from larger markets. Furthermore, it takes years of study and practise to be good enough to make a living solely in a cultural activity. The image of impoverished artists surviving on dedication to their work is not for everyone, and the low wages paid in this sector have not helped to lure participants.

The value of an activity cannot always be measured in terms of dollars. Nevertheless, money spent on cultural industries does create jobs in the industry. The public feels that investing in cultural industries makes sound economic and social sense.

What we need

Culture should be recognized as an economically important activity.

Over the past year, cultural representatives described this recognition as the overriding direction needed to promote this sector.

If culture is recognized as an economic activity it means the support, assistance and opportunities provided to other sectors should also be extended to the cultural industries. Accepting cultural activities as viable economic enterprises means providing infrastructure (communication systems and facilities, for example) which would aid the further development of the industry. It means stronger links should be made between culture and other areas of the economy, like tourism. It means that training and the educational needs of the industry should be assessed when we develop programs for elementary, secondary, and post-secondary schools. In short, people in the industry should be given increased opportunities to perform, display, produce, interpret and market products.

Recognizing culture as a distinct economic sector may involve setting up effective mechanisms in the industry to coordinate and promote its interests. The industry needs a strong and coordinated voice to represent its concerns to the community and government.

While there is a connection between government cultural policy and the development of cultural industries, the Government must also remain aware of the cultural community's need for artistic freedom and independence. Policy in this area should be formed in complete consultation with the cultural community.

Cultural industries are no different than other areas of the Yukon economy which are under-developed but able to grow. Both government and private efforts are needed to give a positive direction to the industry. Therefore, **the Government should assist in the development of cultural industries.**

A Yukon cultural policy could make a major contribution to the future of cultural industries in the territory, but additional government assistance will be needed to promote longterm employment for individuals who reach a level of skill where their products become marketable. The assistance should vary according to the needs of the industry, but instead of direct subsidies, efforts should be made to provide training, facilities, professional business advice, loans, and funds for special events.

Government can also foster the exchange of artists and art with other regions and countries. The industry also has asked government to encourage private support for cultural industries by considering options like tax breaks and other incentives.

An area of special concern to the territory's cultural industries is marketing. Representatives would, therefore, like the Government to **provide marketing assistance to the industry.** A first step would be to assess the sector to determine the potential for development within each area. Marketing strategies should be directed at both local and export markets.

The Government should treat aboriginal cultural industries separately in recognition of the unique possibilities in this area and to enhance opportunities for development according to the desires and needs of the Indian community. The economic opportunities for Indian cultural industries strongly reinforce the link between culture and economic development. Indian people see economic opportunities arising from their culture, but they realize maintaining and developing their culture has strong social value as well.

The Yukon Government should encourage improved communication between different levels of government and business to assist in further development of cultural industries. Cultural industries, because of their connection to cultural policy, are the concern of all levels of government. Therefore the Yukon Government should encourage other levels of government to support the growth and development of Yukon culture to the levels other Canadians enjoy.

How to get there

1. Government, in consultation with the public, should develop policies which enhance the economic significance of the cultural community.

The Government should review cultural policy in consultation with the industry. Foremost should be a look at consolidating the delivery of government programs.

Training, for youngsters and professionals alike, should be assessed as part of the review. As well funding sources including federal programs and options to improve cultural facilities across the territory should be reviewed.

2. Take further advantage of the prime tourist season and local demand for cultural industry products by diversifying and offering more activities during the summer.

Tourism is a large and important sector of the Yukon economy and cultural industries can play an important role in its development. But promoting cultural industries solely with the intent of maintaining or expanding the tourist market will limit its potential.

The local economy, though small, does demand products from the cultural industries. At the same time, many tourists prefer to become involved in the day-to-day life of a community rather than being directed to "tourist" oriented events. These two facts point to an opportunity which can be exploited, specifically the possibility of a summer festival. Such an activity, which could extend over several months and be located in many areas, should be assessed. An important part of this festival could be the celebration of Indian culture. As well, events currently held during the summer around the Yukon could become part of such a festival.

There may be other ways for the Yukon's cultural industries to tap the tourist and local markets. These might include increasing the production of local materials for sale to tourists.

3. Develop marketing support for various Yukon products.

Craft items, sheet music, records, cassettes and scripts are among the products which already have export and local market potential. While such items should be promoted, the potential of other products should be assessed.

Outlets could be encouraged to increase the sale of local artists' products, for example by developing mail order services. Other options include setting up retail outlets in large urban areas across Canada and taking advantage of major tourist events such as the Olympic Games. By providing development funds the Government could, in the long run, help make these projects self-supporting.

The development of a cooperative marketing strategy would mean individuals would not have to bear the entire burden of marketing their products. Such a program could address labelling and packaging, the development of promotional materials, including artists' profiles, and licensing.

The Government already has many programs which could be better used by the cultural industries. The Government should promote existing programs with information directed towards people in this sector.

The Government should act with the industry to preserve the uniqueness and integrity of Yukon Indian crafts. It should restrict the production and distribution of "fake" and imported products. Also, in reference to the Indian cultural industries, the Government should be aware that products will vary from community to community. Therefore, marketing strategies should be developed with strong local input.

4. Government should help the industry, when it is feasible, to form co-ops and to initiate other cooperative efforts.

The benefits of bringing together components of various cultural industries to purchase and transport materials have not been properly explored. Representatives of the industry are interested in examining the potential of these and other cooperative ventures.

5. Evaluate the feasibility of a summer arts school along the lines of the Banff Centre, which would provide a focal point for culture and provide training to local and visiting artists.

The value of intensive training in the arts from highly qualified instructors has long been documented in other areas of the country. Because of its geography, the Yukon has a unique opportunity which could prove very valuable — artistically and economically — to our cultural industries. It would also allow for the interchange of ideas between artists. A summer school could showcase its activities at the festival discussed earlier in this section.

6. In cooperation with the Indian community, evaluate the feasibility of a school of Indian art.

Like the summer programs suggested above, an Indian art school, which could give instruction in many cultural areas, would foster indigenous

culture. Such a program could be a vehicle for the exchange of ideas and techniques which help preserve Indian culture and develop the arts community. Such an institute could become nationally renowned.

Existing structures such as lodges could be used during the winter when they might otherwise be closed. Cooperation between this and other institutes including the proposed art school would be important and ought to be considered when these recommendations are evaluated.

7. In cooperation with Yukon Indians, begin a program to document Indian history, language and customs. The Government should make this a priority to make sure the knowledge held by old people is not lost.

Increasing the marketability of Indian culture will involve rediscovering it in some instances or interpreting it for the market in others. For example, one important project could involve mapping traditional movement patterns between communities and documenting the accepted place names of locations in Native languages. Currently, they are known to Indians but not others. The social and historical value of such a project would be great for the Yukon.

8. Urge municipal governments to alter bylaws so that craft production and other non-intrusive business activities can be done at home.

9. Urge businesses to provide space for artists at reduced rates in exchange for special breaks on zoning bylaws.

In other areas of Canada, municipal governments and businesses have cooperated with cultural industries by relaxing zoning by-laws and giving concessions to businesses that agree to provide cultural facilities. Both can be of benefit to the territory's cultural industries, can be highly productive and yet provide next to no disruption to a neighborhood. These recommendations will, of course, have to be considered jointly by territorial and municipal governments.

10. The Yukon Government should lobby the Government of Canada to provide Yukoners with a fairer share of federal culture funds and to improve accessibility to existing cultural programs.

The federal government plays a critical role in development of Canadian cultural policy; it also supports culture through many programs. Access to these should be improved. Recently the Yukon Government has investigated becoming involved in federal/provincial/territorial meetings in areas which affect culture such as communication and broadcasting. These efforts should be continued.

Volunteerism and Housework

What we have

Volunteerism and housework, like subsistence activities, are part of the "non-wage economy." But, while subsistence activity incorporates some of the concerns of the volunteer sector as well as some of those surrounding the use of wildlife, many of the issues affecting subsistence are unique. It is, therefore, treated as a separate issue elsewhere in this report.

Canadians, on average, spend about three hours per week voluntarily providing welfare, educational, health, religious and community services. In the Yukon alone there are more than 300 societies (many of which are run by volunteer boards and staff) registered with Consumer and Corporate Affairs. As well, there are 83 boards appointed to assist the Government which are listed in the Yukon Government's Boards and Committees Handbook. Clearly, Yukoners provide substantial services to the Government and to their communities through their volunteer work. The amount of volunteer activity in the Yukon is estimated to be higher than in other regions of Canada; it has therefore particular significance to Yukon society.

Home-making has traditionally been viewed as a women's responsibility and many women continue to see their participation in the economy as volunteers and homemakers to be especially important. Volunteer and homemaking activities, including childcare, are now seen as responsibilities to be shared between men and women. This change is

particularly important in the Yukon because there are proportionately more women in the paid workforce than in other parts of Canada. As well, many Yukoners feel that the importance of homemaking and childrearing is underestimated, and point to the severe economic and social costs of the failure to properly recognize and support the family unit.

Volunteer activities are largely community-based and can involve many community members, whether or not they work for wages. The community base of volunteer activity contributes towards the development of community leadership as well as towards the local control of community programs, events and community life in general. Well trained volunteers, therefore, benefit not only their own organizations, but the community as a whole when they become known and used as resource-people.

What we need

The general feeling about volunteer activity and homemaking is that they seem to be undervalued relative to the wage economy. This suggests the focus needs to be on increasing the recognition of these activities in concrete ways. Since volunteers provide many services to Yukoners, it is important to foster the health of volunteerism within the territory. From a practical point of view it is to the Government's benefit to help volunteers and their organizations. **Training is needed to ensure volunteer organizations are as effective as possible.**

Volunteers and homemakers do for nothing what many people do for wages, yet the value of the experience gained through this work is not fully credited in the job market. The relevance of volunteer and other experience to wage employment should therefore receive better recognition, and practical ways to translate verbal recognition into concrete action are needed. There is a strong feeling that this can be changed by **ensuring that experience gained in volunteer and homemaking activities is given full recognition in hiring for paid employment.**

Homemakers and volunteers often work in paid jobs as well. True understanding and recognition of the value of their "non-wage" work could be confirmed by making their paid employment more flexible. **Flexible working arrangements are needed** to permit family and other responsibilities to be met.

Not only is homemaking often undervalued in relation to the paid economy, but Yukoners feel that the family itself would benefit from stronger recognition of its crucial importance as a fundamental social and economic unit. The last, but not the least important, requirement then is to **provide support and educational services to families.** Some of the specific suggestions made in this area include providing some financial security for homemakers should there be a divorce and increasing the opportunities for them to move in and out of the workforce.

How to get there

1. Open government training courses to volunteer groups when space is available.

Training for volunteer groups, boards and staff is a continuing requirement, not only in Whitehorse but in the Yukon's other communities as well. Properly trained volunteers gain more satisfaction from their activities and are more effective than those with less training. Moreover, the experience gained through volunteerism and homemaking can be transferred to employment and to other community members. Therefore, providing good training for volunteer groups is a worthwhile investment for the Government.

2. Consider seconding Government employees to volunteer agencies for training purposes.

Such a development could benefit the territory's volunteer agencies while improving the Government's familiarity with private agency operations. Secondments or staff exchanges would be particularly valuable to social service organizations.

3. Create a "volunteer action centre" to provide information to volunteers about volunteer and training opportunities.

To be effective, organizations and individuals must take advantage of training opportunities. However, individuals and volunteer groups are not informed about training opportunities

offered by the Public Service Commission or other government departments. It would also be helpful for volunteer groups to know when trainers from outside the Yukon were presenting courses so that they could "piggyback" courses designed to meet their own needs. A centralized information point would make it easier for this information to be shared. Such a service could also let willing volunteers know where their services are most needed. Perhaps the service might be effectively provided by assisting an already existing volunteer agency.

4. Ensure that relevant volunteer and homemaking experiences are recognized within the wage economy.

Volunteer and homemaking experience can be useful for wage employment. Such skills include project design and management, staff supervision, fundraising, and the motivation of staff. Usually skills obtained through volunteer or homemaking experience are practical rather than theoretical and are not confirmed by the possession of a certificate or other credentials. Nonetheless, these skills are valuable in the same way as those acquired through formal training. But their value needs to be more fully recognized.

5. Government staff involved in the hiring process should be trained to obtain information about applicants' volunteer and other experience.

Government application forms and standard resume formats are not designed to elicit or present information about volunteer and other "non-wage" experience which may be relevant to employment.

As well, people need to be able to get through the screening process in order to be asked for an interview where they can relate the value of their experience face-to-face. The language and format of application forms should, therefore, be simplified to allow people to expand on their volunteer and other experience.

6. The Yukon Government should encourage other employers to recognize the value of "non-wage" skills in employment.

Most of the recommendations relate to the Yukon Government, but Yukoners recognize that the Government can provide leadership in employment issues, if only by publicizing their hiring and selection practices.

7. Encourage flexible working arrangements such as job-sharing, flexible work-hours and completing work at home.

Flexible working opportunities are important to homemakers and volunteers. Parents would like to be able to meet their family responsibilities while engaged in paid employment. This applies especially to women, even though family responsibilities are being increasingly shared between women and men. But moving in and out of the workforce can be difficult; the requirements of the workplace sometimes make this balancing awkward. Flexible work hours particularly during the day are important to people with children at home or older relatives. Parents also need to be able to accommodate school vacations. There are several options which could be investigated to accommodate these various needs. The increased use of flex-time during the day could be encouraged; a greater number of part-time positions could be created; and it could be made easier to develop job-sharing arrangements. As well employees could be allowed to work at home, for example, by using computers.

These options have both advantages and disadvantages; for example, ways to pro-rate employee benefits must be found if job-sharing is to be pursued. Also core hours must be covered under flex-time arrangements, and working at home may result in a sense of isolation for some. As well part-time work and job-sharing result in reduced salaries. The emphasis of this recommendation, then, is on the encouragement of flexibility in the workplace which could accommodate the needs of employees.

8. Include an educational campaign to improve the perception and availability of part-time work.

Part-time employees report that part-time work is poorly regarded, and, further, that they are often expected to do a full-time job in only part of the time. Increasing part-time opportunities should include an effort to improve the perception of part-time work.

9. Offer workshops on starting small home businesses.

Most of the above recommendations are directed towards assisting homemakers who wish to become involved in the workforce as employees. An alternate way for them to participate in the paid workforce is to operate small businesses from their homes. This would help to ensure that homemakers can build in the flexibility that they need. The Business Development Office could provide "how to" information for those who wish to start their own businesses.

10. Amend the Matrimonial Property Act to include private pension benefits as a family asset for the purposes of divorce settlement.

The economic and social costs of the failure to support the family were strongly emphasized during the non-wage workshop discussions, resulting in two specific recommendations. The first is to recognize the contributions of homemakers by providing some financial security on divorce, and the second is to define the need for, and increase the practical and life-skills support of the family unit.

Homemaker pensions fall under the jurisdiction of the federal government. Canada pension benefits are now subject to division between spouses on divorce. Contributions to private pension funds are not, however, recognized as family assets under the Territorial Matrimonial Property Act; this means that they are not divided on divorce. This has particular significance for homemakers who may be unable to contribute towards their own pension fund because they do not have sufficient income of their own. The inclusion of private pension funds as a family asset would, therefore, reflect the economic contribution of homemaking to the family and marriage as an equal partnership. Support for this action at the non-wage workshop was unanimous.

11. Facilitate the development of a full range of childcare options, so that family members can more fully participate in all aspects of the economy.

Parents of both sexes who need or wish to gain employment or who wish to take training to upgrade their skills require a range of childcare services: for example, day-homes, daycare centres and hiring their own caregivers to look after children in their own homes. Childcare arrangements must also be made for after-school care, for the children of shiftworkers, and for children with special needs. On-site childcare could be developed for the workplace and educational facilities such as Yukon College and the Community Learning Centres.

Clearly, parents with children are unable to participate fully in all aspects of the economy without the availability of suitable childcare. Childcare has become an economic issue as much as a social one.

12. The federal and territorial governments should establish a task force to identify and help solve parenting problems.

The enormous economic and social costs of the failure to support the family unit is of concern to Yukoners. The importance of the family as a primary educational institution and economic unit needs to be recognized. Education, therefore, needs to be provided in parenting and communication skills. Education about issues affecting the family, from budgeting to family violence and interpersonal skills is particularly needed.

Participants in the non-wage workshop felt that family education and support programs should be delivered through the community healthcare or other systems rather than the welfare system. Extensive research must be carried out, however, to identify what the specific program needs are and how they can best be delivered.

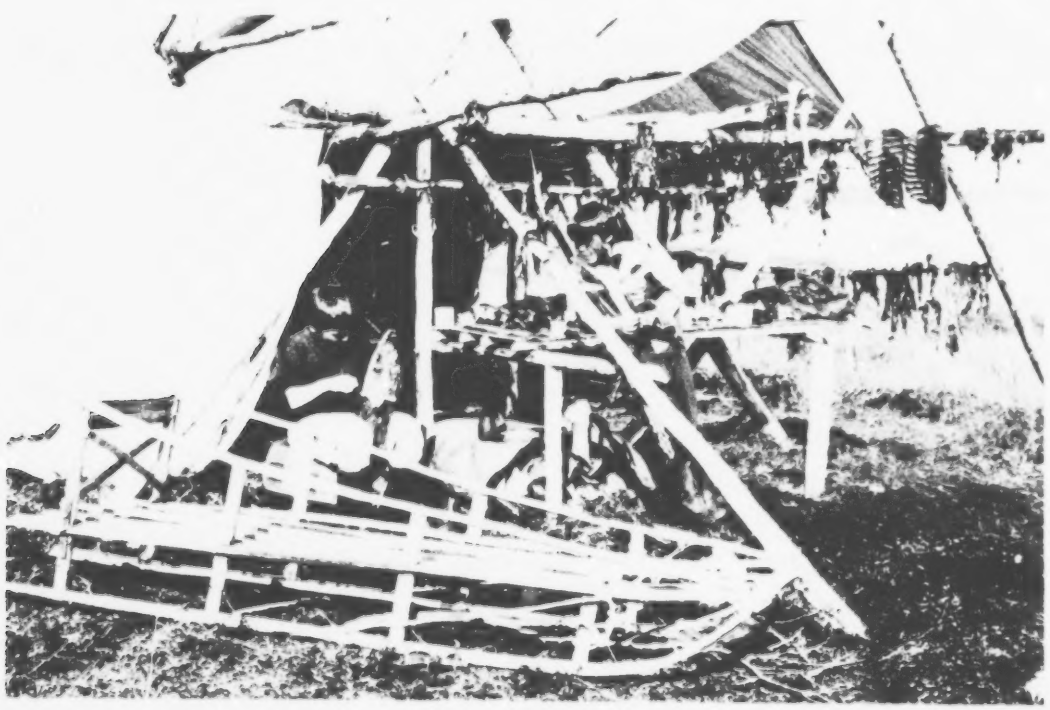
Subsistence

What we have

Subsistence activities, — which include the harvesting of animal, fish and plant resources for food and fuel — were originally examined as part of the non-wage economy and therefore included in discussions about homemaking and volunteer work. Yukoners across the territory have, however, made it clear that subsistence activities are unique, and must be addressed as such if they are to be properly considered.

Subsistence activity is important to many Yukoners, not only because of its economic value, but also because of its social, cultural and spiritual importance. There is strong support for the view that the subsistence economy is not merely a part of the larger economy, but a unique, important and vital economy in itself. Although non-Indian people participate in the subsistence economy, subsistence harvesting for them is usually supplementary to activity in the wage economy. On the other hand, subsistence activity is basic to the traditional Indian economy and the mainstay of traditional Indian values. The cultural and lifestyle significance of the subsistence economy is rooted in its importance to our smaller communities as much as to individuals: in the sharing of food and other goods and services for example. Subsistence activities underline the very special relationship between Indian people and the land and its resources.

While the social and cultural significance of subsistence is known, the economic value of the total subsistence harvest is not clear. Much of what is known is the result of



three major case studies of the subsistence harvest. Activity in the communities of Old Crow, Teslin and Ross River between 1984 and 1986 was valued from $441 to $2,475 per year per person, depending on the community. (These figures were derived from the cost of locally available store-bought substitutes.) Other research has suggested the value of the subsistence fishery to be $750,000 annually.

There are features of the subsistence economy that make it unique, but it does not exist in isolation. Subsistence is affected by policy and developments in other areas such as the allocation and preservation of natural resources, the potential effects of commercial wildlife and fisheries development, the impact of devolution of responsibilities to the Yukon Government, and the settlement of land claims.

What we need

We must appreciate the worth of subsistence and suggest ways in which the subsistence economy could not only be protected but enhanced. At the same time, it should be recognized that the subsistence and wage economies are, although different, neither isolated from nor incompatible with one another.

The first move should be to **develop a proper understanding of the subsistence economy and harvest.** Unless it is understood, it cannot be encouraged. The failure to understand and support subsistence as an important lifestyle will have not only economic, but social costs as well.

While recognizing the uniqueness of subsistence, those active in the subsistence economy acknowledge that there are similarities in the way that it and other non-market activities (such as volunteerism and homemaking) relate to the wage economy. People who participate in non-market sectors of the economy would like to be able to move in and out of the paid workforce to achieve some balance in their lives. Another way to support subsistence, then, is to **encourage the development of flexible working arrangements to integrate subsistence and wage activities.**

Skills learned from subsistence living are often useful in the wage economy. For example, a knowledge of the land, bush survival and practical wildlife management are very important to the commercial use of wildlife. But people active in the subsistence economy feel that these practical skills are undervalued in employment. It is important to **ensure that experience gained through subsistence activity is given full recognition in wage employment.**

How to get there

An understanding of subsistence living is crucial to the understanding of the Yukon economy as a whole. This is acknowledged by many YUKON 2000 participants; some action has already been initiated.

A pilot study has been funded through the Canada Yukon Economic Development Agreement to provide a working definition of subsistence and develop an evaluation methodology to examine the economic and social/cultural significance of the subsistence harvest. The expected outcomes of this study will be to outline the significance of the subsistence economy to the Yukon and to recommend government policy for renewable resource management. As well, the potential effects of future alienation of land or resources will be investigated. The end result will be the ability to design resource management systems which better reflect the value of the subsistence economy to the Yukon. In the meantime it is important to ensure that resource allocation decisions do not destroy the base for subsistence activities. In the interim, subsistence use of land and resources should be given priority in resource decision-making.

1. Increase the use of flexible work arrangements to accommodate participation in both subsistence and wage activities.

Many subsistence activities are seasonal and these often do not coincide with seasonal wage activities. Job-sharing possibilities could be increased so that jobs could be shared over weeks or months rather than days or half-days. Such arrangements would allow better participation in seasonal subsistence activities. Increased flex-time would also help.

2. Ensure that experience gained in subsistence living is fully recognized for wage employment.

Application forms for employment do not readily allow people with experience gained from subsistence activity to expand on that experience and to relate it to the position for which they are applying. Application forms could therefore be changed to allow people to expand on their subsistence and other experiences. As well, government staff should be trained to obtain information about applicants' subsistence experience.

3. The Yukon Government should encourage other employers to recognize the value of subsistence skills in employment.

This recommendation was proposed in recognition of the fact that private sector employers and labour organizations look to the Government as a leader in employment issues.

Commercial Use of Wildlife

What we have

The commercial wildlife sector includes "consumptive" uses, such as big-game outfitting, trapping and hunting as well as "non-consumptive" activities such as wildlife viewing and wilderness adventure. The study of wildlife for research and scientific purposes, the captive breeding of wildlife, and the processing of wildlife products are included in this sector also. All these activities depend for their success on the existence of wilderness and the availability of wildlife.

Big game outfitting is a limited entry business with 22 registered guiding areas. The annual revenue from big game outfitting exceeds $4 million.

Trapping provides considerable income through the sale of raw furs. Entry to the 380 registered trapping concessions and the four group trapping concessions is tightly regulated. About 750 people participate in trapping 15 local species of furbearers. Lynx and marten accounted for between 75% and 80% of the total fur value for the period between 1981 and 1985. In all, trapping generates more than $1 million annually.

But while trapping generates a significant revenue, it must be recognized that for many trappers, trapping is a way of life as much as a way of making money. Today, the most significant influence affecting the health of the trapping industry is the anti-fur lobby.

Hunting is not directly a commercial use of wildlife, but it is of cultural importance, and generates economic activity within the service sector through the purchase of

equipment and supplies. Also it often competes with other components of the wildlife sector and, together, these can place considerable harvest pressures on wildlife populations. The economic value of recreational hunting has been estimated at over $1 million.

Wilderness guiding offers such activities as hiking, canoeing and rafting to tourists and residents. The Yukon has unique species of birds, plants and mammals which attract naturalists from around the world. The unique wildlife also attracts a number of university and institutional researchers to the Yukon, but there are few outfitters who offer services for these people.

The manufacturing of hides, antlers and other wildlife products into handicrafts and art are the major activities in the secondary processing of wildlife. The annual economic return resulting from this industry is unknown, but is thought to exceed $1 million.

Captive breeding of wildlife includes the breeding of furbearers, big game animals and birds of prey. The breeding and sale of falcons has shown the greatest activity until now, however the amount of money generated is unknown.

The commercial use of wildlife, particularly when combined with the wilderness experience, has considerable potential for development. Wildlife viewing and secondary processing may have particular growth potential. The development of these two components of the industry is closely linked to tourism, where more attention has recently been paid to marketing the outdoors as a tourist attraction.

While various factors are affecting the industry, the overriding concern is sustaining our wildlife populations within a wilderness setting as the industry is greatly affected by conflicting uses of the wilderness.

What we need

It must be recognized that if the industry is to develop we must **sustain wildlife populations within a wilderness setting.** Secondly, although the resource is renewable, it is important for industry and government managers to recognize that **there are biological limits** to its sustained use or harvest.

The Yukon has a great deal of wilderness, but a more limited supply of wildlife. The development of the industry should take this into account, and, rather than expand the total size of the commercial sector, should **capitalize on the unique and high quality use of the resource.**

Policy development and the need for research into the biological and other constraints on wildlife should also be recognized by the adoption of a cautious approach to the development of new ventures. This approach could be ensured by **carefully studying the feasibility of new commercial ventures, and then by beginning such operations on a pilot or incremental basis before agreeing to full-scale development.**

How to get there

1. Provide training programs for big game and wilderness guides.

Big game outfitters, as well as the public, believe that guides should not be able to operate in the territory until they have lived here for several years. Also they point out that there is a need for guide training programs which could be offered through Yukon College. However, they stress that proper guiding requires a long-term commitment and extensive field experience. Financial assistance could be given to enable guide-trainees to complete their training.

2. Continue to market the wilderness experience in cooperation with the industry.

Outfitters feel that the cooperative marketing of the resource between the Outfitters Association and the Government should be continued.

3. Provide security of tenure for concessions.

Currently, outfitters have no guarantees on the concessions for their areas and feel that, given their large investments, more protection is needed. As well, lack of tenure can create problems in obtaining bank loans.

4. Increase the availability of range lands.

This would encourage outfitters to fence their property to prevent livestock from roaming.

5. Enhance the wildlife resource by manipulating habitat.

The Government could manipulate habitat to improve moose and sheep populations, thus increasing or maintaining the amount of wildlife available for harvesting. Some industry representatives question the effectiveness of such a technique.

6. Continue the fight against the anti-trapping lobby.

The trapping industry's greatest concern is the anti-fur lobby. The Government has acted in this area already, and it should continue to oppose the lobby vigorously. But outfitters could help with the fight against the lobby, considering that the mandate of many animal rights groups is not just against trapping but against other forms of harvesting as well. To promote greater participation, the Government can play a coordinating role with the Trappers and Outfitters Associations and other agencies. As well, it could provide incentives for

switching to more humane traps, thereby increasing the effectiveness of the fight against the anti-harvest lobby.

7. Increase the use of trapping concessions.

This is a high priority. But it should be done by improving access to traplines rather than by simply transferring concessions which appear underused. Trappers are traditional wildlife managers, and may intentionally undertrap at times to maintain the population.

8. Investigate compensation in cases of land-use conflict.

Recreational activities, mining, and dog-mushing all conflict with trapline-use. There is a need for compensation when other users adversely affect trapping.

9. Research the impact of fur farming on the trapping industry.

Trappers generally oppose fur-farming, as it potentially conflicts with the sale of wild furs. There may, however, be potential for raising furbearers that are not native to the Yukon.

10. Develop the local market for lower-valued furs.

This could reduce the pressure on high-priced furs when the animal's population cycle is at its low. Although it is unrealistic to expect the Yukon to influence the world demand for a particular fur, it can perhaps develop the local market for less frequently used species. This should be investigated. Financial assistance may be required if furs are held as inventory from year to year.

11. Continue trapper education and expand its focus.

Not only should existing courses be continued but they should be expanded. This could help improve the trapping industry. The courses should be expanded to include trapline management, basic business skills, and fur-handling.

12. Provide specialized training opportunities for those involved in wilderness guiding.

This sector of the industry can benefit from both basic training programs and specialized training opportunities. Training programs in this area need to be developed in conjunction with the Yukon's wilderness guides. These should include information about local wildlife, landforms and plants and training must emphasize the importance of "people" skills.

13. The Government and industry should continue to promote wilderness guiding.

The availability of more guides will not, in itself, greatly increase activity. Better promotion and marketing of the outdoors, particularly to those outside the territory, is essential. A related issue, although of lower priority, is the moving of the market towards a high quality, low client-volume wilderness experience. This means that the same areas should not be used by too many outfitters at the same time. At the present time, communication between the small number of guides is sufficient to minimize problems; however the effects of overusing areas could be lessened by public education. Anti-litter notices and responsible-use signs in high traffic areas are effective and low-cost ways of accomplishing this.

14. Provide better access to, and public education about, our wilderness and wildlife resources.

This would include the development of more wildlife observation points along highways as well as interpretive centres and literature for motor vehicle travellers. Better promotion of self-guided trails and trail-guide services would also be of practical help.

15. Investigate, in conjunction with the industry, whether wilderness guides should be licensed.

At present, wilderness guides are not licensed. There are, however, advantages to licensing such as protecting Yukon guides from outsiders. But fears were expressed about over-regulation.

16. Provide researchers and scientists with a list of locally available suppliers, guides, transportation companies and other services when they apply for research permits.

The scientific use of wildlife can benefit the industry as well as the local economy, but only if researchers are aware of the services available to them locally. The imposition of local hire regulations on researchers from outside the Yukon may be a deterrent; however, other ways should be found to encourage the use of local services. This could be done very practically and cheaply by the Government and the industry. A further "nudge" towards local hire and the use of local resources would be achieved by asking questions about their plans on applications for permits. Given the simplicity, potential effectiveness, and practical nature of this action, it is of high priority.

17. Train local people to assist visiting researchers.

This could increase community employment. Some training could be accomplished through Yukon College, but much of it can take place through practical field experience. The provision of more funding for summer students could also increase the training opportunities in this area.

18. Provide the infrastructure related to the scientific use of wildlife.

This includes the development of a high quality research library and laboratory space perhaps in conjunction with Yukon college. Community

relations could be improved by providing short descriptions of local research projects for posting and for local newspapers. This would help to generate greater community interest in research activities.

19. Promote the development of an "umbrella organization" for secondary processing of wildlife.

The exchange of information between raw material suppliers, processors and craftspeople could substantially increase cooperation in this area.

20. Investigate the development of local tanning facilities.

Hides and furs are now processed elsewhere (not always reliably) and craftspeople have to buy them back to complete their work. Therefore, local trappers and craftspeople could benefit from local tanning services.

21. Provide training in the production and management of cottage crafts, marketing and raw materials processing.

This training should be provided in the communities in an informal, non-classroom setting. Yukon College could coordinate the training, which could then be offered in small workshop formats in communities. Such programs should also include basic design work.

22. Develop Government policy and remove legal barriers to secondary processing.

This would include the examination, for example, of the restrictions on the sale of antlers and other animal products.

23. Improve marketing for secondary processing.

There is a need for new product research in which the development of the local market should be emphasized — not only tourists buy local crafts.

24. Limit support to fur-farming.

There are problems with the breeding of furbearers because of the potential negative impact on the trapping industry. There could, however, be cautious exploration of the ranching potential for species NOT trapped in the Yukon.

25. Government should support test situations for the captive breeding of non-furbearing species.

Non-furbearers, such as elk and birds of prey (for which there is an established market), could be bred in captivity. If the industry is found viable, then the necessary policy and infrastructure will need to be developed.

Fishing

What we have

The Yukon fisheries, both freshwater and salmon, are small compared to other industries in the territory. Fisheries do, however, make an important contribution to local economies outside Whitehorse and provide a supplemental source of income to many Yukoners. Fishing also provides a reliable food supply for people living a subsistence lifestyle. Most of the companies involved in the fishing industry are owner operated and very few companies have additional employees.

In 1986 the commercial value of the Chinook and Chum runs was estimated to be $150,000. In that year about 70% of the Chinook salmon catch was sold for processing, up from about 2% in 1981. The size of the Yukon River salmon fishery is affected by fishing in the Alaskan portion of the river. Because the Canadian and American shares of the salmon fishery are governed by treaty, the Canadian catch was just 9.8% of the Alaskan Chinook catch in 1983. Commercial freshwater fishing of lake trout and white-fish, controlled by quotas and permitted on 20 Yukon lakes, brought in about $10,000 in 1986. As these figures suggest, commercial activity is dominated by the salmon fishery.

Fish products were valued in 1986 at about $238,000. Subsistence fishing may be worth a further $750,000 and estimates of the sport fishery in which about 70% of Yukoners participate each year vary from $1 million to $4.2 million. Clearly, fishing has both cultural and economic importance to Yukoners.

Fishing is regulated by the Federal Government under the Fisheries Act. The Yukon Government's role is in enforcement, promotion, licensing and monitoring harvesting. The Freshwater Fishery is one of the areas of responsibility currently under negotiation for transfer from the federal to the territorial government. The fisheries will also be one of the areas included in the land claims negotiations. Developments in both these areas could significantly affect the size and future development of the industry.

What we need

While policies and programs are needed to guide the fishing industry, Yukoners would like a say in how they are shaped. However, current federal legislation and policies on fishing are not responsive to the specific needs of the Yukon fishery and they are difficult to change. Yukoners feel that if the industry is to be properly guided **the Yukon Government must assume responsibility for the freshwater fishery and ensure that sufficient money is provided to adequately manage the resource.**

Fisheries management demands accurate information about fish and their habitats. This knowledge about the use and preservation of fish stocks is especially important in the Yukon where the climate makes regeneration difficult. As well, this information is critical if regulations and policies are to better reflect the industry's goals. **Clearly, the Yukon Government should study our fisheries to ensure the long term viability of this sector.** Informed policies and regulations are essential to a sound resource management plan. To develop these, the Government will need the cooperation of, and input from, those who depend on the territory's fisheries. **The Yukon Government should, therefore, consult with users, including Yukon's Indian peoples, and develop a comprehensive management plan.** It must be recognized, however, that the development of such a plan requires the settlement of land claims and a Canada/U.S. treaty on salmon fishing in the Yukon River system.

While most Yukoners value the territory's fisheries for their contribution to recreation and subsistence living, others do not. People in the industry want, therefore, the public and other industries to be aware of their concerns and the benefits that the resource offers. **The Yukon government should support public awareness and education programs about the fishing industry.**

Product development and marketing are two areas needed if this industry is to grow and diversify. The Yukon freshwater fishery tends to rely too much on lake trout, partly because of the unpopularity of other species. Market research, product development strategies, and sound marketing plans could alter this. In order to facilitate these, **the government should encourage the development of new fish products.**

Improved access to fishing locations is important. Many opportunities within the fishing industry can only go ahead if the resource is accessible. At the same time, greater access will take the pressure off areas which are currently over-fished. **The government should consider further improving access to our fishery.**

How to get there

1. Make the devolution of fisheries a top priority in talks with the federal government.

There is a strong feeling among industry representatives that the assumption of control over the fisheries will permit the proper development of the industry. The fishery will continue to stagnate if this is not accorded top priority.

2. Assess the strengths and weaknesses of existing policies and regulations affecting the fishing industry.

Catch limits, number of licences, location of licences, current allocation of the resource, and resource management should be studied within the freshwater and salmon fisheries. Fish habitat and the relationship between

fishing and other economic activities should also be studied. In addition, researchers should determine the potential for fish farming within the territory and, should it prove feasible, develop policy to promote it.

3. Inventory current fish stocks in the territory.

Industry representatives feel that resource management must begin with a comprehensive inventory of the resource. This could be done through questionnaires, obtaining information from guides, continuing the sample surveys done every five years for sports fishing, and conducting field surveys of catches. Research on technologies and techniques to enhance the fishing industry's productivity is also required. This could include studies on habitat improvement, stocking, and the development of fish hatcheries.

4. Undertake a public awareness program.

The promotion of "catch and release" programs will permit greater use of the resource by fishing enthusiasts, while reducing consumptive use. Fishing lodge operators and guides can help to educate the public, for example about the value of "catch and release" as a resource management technique.

Wilderness education programs in our schools should include sections on the Yukon fishery. Similarly, information about the Yukon fishery should be available to tourists also.

There are practical ways to reduce the pressure on more popular fish species. For example, a guide on how to cook and clean less popular species such as pike and grayling could reduce pressure on trout. Also, viewing and interpretation programs could be developed to encourage non-consumptive use; one example mentioned was the potential for viewing char in the Liard River. Along with a catch and release program, promoting these non-consumptive uses could discourage the "trophy mentality", particularly if attributes other than size were stressed.

5. More effectively promote fishing.

Sport fishing and lodges should be widely promoted in government tourist publications. The focus in sport fishing should be on the fishing experience rather than the thrill of catching huge lake trout. The production of a pamphlet by the Department of Tourism promoting the Yukon as a "fishing experience" might help. As well, if the annual fishing synopsis were made more attractive, it could not only outline the regulations but promote our sport fishery.

6. Expand fishery enhancement programs

Although fish-stocking is successful for small pothole lakes, more vigorous measures, such as the improvement of fish habitat, are needed for larger lakes and rivers. For example, the hatcheries agreement could be made more effective by allowing release programs below the Whitehorse Dam.

As well, greater policing of sport fishing is needed to prevent fishing beyond the legal limits.

Money from special licences or fees could be used to manage our fisheries instead of going into general revenue. People may be prepared to support an increase in the cost of licences if some of the money were used to enhance the resource.

7. Conduct product and marketing studies to determine which species are commercially viable.

A better understanding of marketing strategies is essential if commercial activities within the fishing industry are to increase. The development of new products also needs attention. Small operators and developers may not have the skills or financing to develop their own strategies or new products. But representatives felt that incentives and loans are more appropriate than direct subsidies, particularly in the development of fish processing facilities.

8. Improve access to fishing locations.

As mentioned, access to fishing locations, especially along Yukon's highways should be improved by putting in access roads, trails, and advertising locations. Access trails could be shown on maps. Access should be maintained along sections of the old Alaska Highway which runs closer to rivers and lakes. As well, the location of fishing spots could be better advertised.

It was also suggested that new fishing lodge regulations need to be developed which encourage greater access to fish but which, at the same time, discourage over-fishing in a given area.

9. Increase employment and training opportunities in the industry.

The government should develop management programs and train people to work in the field. More specifically, Yukoners should be employed in all aspects of the resource management projects. As well the traditional knowledge and skills of Indian people should be better used.

Forestry

What we have

Like the territory's fisheries, our forests fall under federal jurisdiction. However, they too are to be transferred to the Yukon Government through the devolution process. At present, however, neither the federal nor territorial government has legislation which covers forest management in the Yukon.

The forestry industry, as defined here, includes both primary producing and manufacturing components. Primary production includes logging, cone-picking and commercial fuelwood production. The manufacturing component includes the processing of logs into lumber and other by-products such as wood chips.

The primary producing sector of the industry consists of half a dozen contract logging companies, a similar number of commercial fuelwood cutters and several seed-gathering operators. More specific information is difficult to obtain because logging is often integrated with small sawmill operations, making it difficult to establish realistic figures for the number of forest industry operators, employees, or the value of their production.

Fuelwood production has increased considerably, from 42% of the total fuelwood supply in 1981, to 68% in 1985. And although the season lasts for only two months cone-picking provides income for about 25 Yukoners each year. The total value of primary forest production has grown from $1,047,000 in 1981 to $2,502,000 in 1986. Dimen-

sional lumber production has also increased in value from $478,000 in 1981 to $1,041,000 in 1986. Most of the remaining increase in the value of production results from rising commercial fuelwood production. Sawmilling represents one of the larger manufacturing activities of the Yukon economy, but it is operating, according to the Yukon Forestry Association, at far below its potential production capacity.

What we need

Our data clearly suggest the forest industry can contribute significantly more to the Yukon economy, especially if forest products are used to their greatest potential, including "waste" products such as wood chips. Increased production could meet more of our construction, energy and manufacturing needs especially if such increased productivity could result from the provision of financial assistance programs for the development of technology and increased specialization. Therefore, the Government should act to **ensure that the maximum income and productivity is derived from forestry.**

Legislation, policy and regulation are required to enable the sound development of the forestry industry. The transfer of responsibility for the territory's forests to the Yukon Government is critical. As well, a land claims agreement is essential to the planned development of the industry.

Basic information about the industry would greatly aid its development. For example, by assessing the need for reforestation and by helping to develop new products the Government can play a very positive role in encouraging this underdeveloped industry.

How to get there

1. Funding the acquisition of inventory for sawmill operators.

An inventory loan program could help operators build their inventories. Industry representatives feel that an inventory-acquisition program should be designed to focus on an increase in sales rather than an increase in production. The program should therefore cover the full cost of the inventory, not only the difference in cost of incremental increases in inventories over previous years. Government must be careful, however, not to subsidize unfair competition between companies or cover the cost of the same inventory more than once.

2. Improve productivity through new technology and increased specialization.

Much of the industry's equipment is outdated and inefficient. This contributes to waste. While there is interest in restructuring and renovating, it is difficult to access the capital to do so. Help is, however, available. Changes to the Business Loans Act will increase the amount of funding available, modify the eligibility criteria for assistance, and provide loan guarantees. These programs will significantly reduce the costs of restructuring and renovating. Also, operators could use the opportunity identification program to hire technical consultants to advise on the streamlining and improvement of their businesses.

Industry representatives support the development of new government assistance plans, but suggest some modifications in the way existing programs are administered. They are uncomfortable about having proposals presented and argued by government staff. They suggest that placing industry representatives on forestry boards would help ensure informed decision making on financial and technical matters. It would be valuable also for the applicants themselves to present their case before the decision-making boards.

Finally, Government must be very careful to ensure that its programs do not promote unfair competition.

3. Our forest resources must be quickly and fully inventoried to enable further development to occur.

Forestry companies have little information about the quality, amount and type of wood available in their

production areas. This lack of information creates risks that lending institutions are reluctant to underwrite. A full inventory must, however, be preceded by the transfer of the responsibility for forests and the completion of a land claims agreement.

4. Develop a central facility which can be used for the kiln-drying, planing and marketing of wood products.

The Canada Mortgage and Housing Corporation requires the use of kiln-dried wood in housing construction; this severely limits the use of Yukon dimensional lumber because there is only one wood kiln in the Yukon, at Hyland Forest Products. Our lumber is therefore either air-dried or kiln-dried elsewhere. A privately or co-operatively operated and centrally located facility which provides dry-kilning and wood planing could therefore greatly benefit the industry, particularly small rural operators with limited equipment and access to markets.

5. Use residue for space heating and steam generation.

The effective use of by-products can increase the industry's profitability. Wood chips can be used for heating and steam generation, and slab wood from mills can be used as firewood. Only waste products and residue resulting from forest clearing should be used for chip production — the action is not intended to suggest widespread cutting of forests for chipping purposes. Just the use of wood chips for space heating could substantially increase the income derived from wood and at the same time, decrease our energy expenditures.

6. Provide forest operators with training in business as well as forest management.

Good business and forestry management practices will improve the efficiency of the industry and the quality of its products, thus improving its financial health. However, while industry representatives feel training is important, they see it as less crucial than actions which directly increase the income of the industry.

7. Increase research and development.

Research into new products, such as the development of specialty sidings, seed and seedling production and new building products is seen by industry representatives as an area where Government can really help. Relevant, practical research could, for example, be conducted at Yukon College.

8. Develop comprehensive forestry management legislation, policy and regulation.

Neither the federal nor territorial government has specific legislation permitting forestry management to take place in the Yukon. The situation is further compounded by the existence of legislation such as the Quartz Mining Act which permits those who have staked land for mineral exploration to harvest the forest resources.

The transfer of responsibility for forestry will permit the Yukon Government to develop its own legislation to better regulate the development of the resource. This legislation will be put in place prior to the transfer and it will comprehensively cover all aspects of forestry management such as tenure, stumpage rates and cutting and regeneration requirements.

Agriculture and Food

What we have

The agricultural industry in the Yukon consists of two major activities: growing crops and raising livestock. Crop production includes oats, wheat, barley, forage and vegetables. A variety of livestock is being raised, including horses, cattle, hogs, dairy cows, poultry and reindeer. A future development potential exists for game farming which is the raising of wildlife species in a contained area.

Agriculture is a small, but important sector in the Yukon economy. Thirty full-time and 75 part-time operations are currently active in the industry. In 1985, the total area under cultivation was 1,819 hectares and the number of livestock was 8,075. The total value of agricultural production was estimated to be about $1.68 million, indicating the significant contribution of agriculture to the Yukon economy.

Production costs in the Yukon are comparatively higher than are those in other areas of Canada. The cost of transporting equipment and materials into the territory significantly adds to the expense of farming in the Yukon. As well, the relatively small number and scale of operations results in limited demand for farming supplies and a consequent increase in cost. High production costs, however, are somewhat compensated for by the relatively high values that the products yield on the market.

Yukoners expect the agricultural industry to continue to develop. There appears to be considerable room for the industry to develop by way of import replacements.

What we need

The availability of agricultural land is a major concern and several steps with the potential to provide greater access to land have been suggested. For example, land could be transferred directly to people involved in the industry. Also, rural residential land could be made available through a separate application process. Such measures should be considered to **increase the supply of land available for agricultural uses.**

It is important to **develop local and export markets for Yukon produce.** A stable local market would allow farmers to determine production capacity, infrastructure needs, and market size. Higher quality produce will encourage Yukon consumers to buy locally grown rather than imported produce. This would also enable Yukon farmers to compete more successfully in markets outside the Yukon.

In order to facilitate the trading of products, the government should work towards removing some of the barriers which have previously hindered this exchange. For example, the Yukon and Alaskan governments could, in agreement with the federal government, consider the development of an agricultural product exchange network.

Research and development should be undertaken to assist in growth and expansion of the agricultural industry. Research could be used to develop traditional and specialized methods of production. Market research could evaluate the potential for import substitution in agriculture and food. An analysis of which crops are best suited to different classes of agricultural land would provide further benefits to Yukon farmers. Finally, if such research is undertaken, the result must be shared within the industry.

Infrastructure is needed for the various subsectors of the agricultural industry. The development of regulations for meat inspectors for example, could assist livestock businesses. Legislation to permit game farming could be passed; interprovincial transportation barriers could be removed through legislation and other measures could be taken to reduce the high cost of supplies.

How to get there

1. Make more land available for agriculture through more land transfers, better land use planning and a more efficient land application process.

Land is needed not only for the establishment of new agricultural operations but also for the expansion of existing farms. Land availability could be increased through land transfers, land use planning and a new land application process. Development should continue to be required before title is transferred; however, these requirements should vary according to the type of agricultural activity proposed. Applications should be assessed for their economic potential and then outlined in an agricultural development plan. Prior to making a final decision each application should be assessed to consider competing land uses and water needs and rights, especially in areas with a limited water supply. Each application should be given full consideration in the process.

2. Increase public awareness of agriculture in Yukon through effective promotion.

Public awareness and recognition of agriculture as an important economic and social force may assist in providing support for the industry as a whole. Public support is therefore necessary to develop a market for these locally produced goods.

There are a number of ways that agriculture can be promoted. Primarily, a number of existing, successful strategies should be continued, including the development of a logo and slogan for Yukon grown products. Other needs include local media coverage, farmers' markets, and co-operative advertising among farmers. Encouraging public acceptance of locally produced meat may assist in developing this market. Finally, publicity of agricultural success stories may reduce skepticism about the viability of agriculture in the Yukon.

3. Promote increased research and development through a variety of measures.

Research and development play key roles in the promotion of agriculture in the Yukon. Some pilot projects have been initiated including a number of projects funded under the EDA agreements and the New Crop Development Fund. In addition, a number of studies have been commissioned to examine various segments of the industry.

Initiatives which should be considered in the development of the industry include the development of a "window approach" for dealing with the public, and ensuring the agriculture branch grows along with the industry, and produces legislation which is beneficial to both the producers and the consumers.

A second initiative includes the establishment of a research station in the Yukon to conduct research and development. The results from such a centre can be shared among those in the industry.

Other northern areas with climatic and geographic conditions similar to those in the Yukon, face similar limitations. A series of information links may improve communication between areas with mutual concerns, and provide new insights into problems. The Government could also provide financial assistance to the Agricultural Association to bring some Alaskan farmers to the Yukon to exchange such information.

Information should be shared between the people involved in the industry. A record of experiences and the availability of information to interested parties may assist in the continual growth of the industry. Greater awareness of government programs would also benefit the industry. The development of groups, which represent specific commodities, and which are similar to a horticultural club, may also contribute to the sharing of information. Computer networks and newsletters are also effective information exchanges. Finally, the removal of barriers established under the EDA, which currently restrict the producers from doing their own market research, should be considered. While they may lack certain formal qualifications, independent producers may be valuable contributors to research and development.

Much of the food consumed in the Yukon is imported, and often costly particularly in the communities; however, substituting locally grown produce for imported foods may reduce these costs. A comprehensive and regional review of the opportunities for import substitution is required. Such a review may identify a number of indigenous crops, such as berries, which may be grown and processed locally.

4. Develop infrastructure for the meat industry.

A fully developed infrastructure for the meat industry consists of large animal veterinarian services, meat inspection, slaughter facilities, grading standards, and meat processing facilities. Currently, some of this infrastructure is being developed for the industry; meat processing can be done by Yukon butchers, and a private large-animal veterinarian will also function as a meat inspector. Territorial grading standards are also now being developed.

Various other components of the industry still need to be developed. They include the establishment of simple slaughtering facilities on selected farms where inspected kills could occur. The purchase of a mobile slaughterhouse could also be considered, if and when production levels reach a pre-determined level. The development of meat inspection standards, to be met by all producers, is also required.

5. Increase access to capital and financial services for Yukon producers.

A number of measures can be taken to provide greater access to financial services. Obtaining increased knowledge about the industry would enable bankers to realize the potential for agriculture in the Yukon. A Farm Credit Corporation office could be established in Whitehorse to provide easier access to its programs. Improved financial management services for farmers would also assist in the management aspects of their businesses. Finally, changes to the federal income tax system would enable the part-time farmers to be eligible for the same tax breaks provided to full-time farmers.

6. Pass legislation to allow game farming.

As game farming is a relatively new agricultural activity, it is not adequately addressed in the existing legislation. For example, the Wildlife Act does not allow for the ownership or sale of wild animals, meat or meat by-products.

A number of concerns should be addressed in this new legislation. Primarily, the legislation should specify the requirements for indigenous animals to have an identification device. Such a device would minimize the possibility of bringing in additional wild animals.

Precautions should also be taken to prevent poachers from adding wild meat during the processing of game farm products. Finally, the game farming industry requires legislation and regulations similar to those of other industries.

7. Reduce high costs and address problems of availability of inputs and machinery through producer co-ops.

The benefits of producer co-operatives are twofold. They reduce the high costs of obtaining machinery and materials and provide an overall increase in availability. Bulk buying of inputs such as feed and fertilizers allow producers to take advantages of volume discounts and to avoid surcharges. Economies of size can also be realized during storage and handling. The federal feed assistance program can also be used more effectively to offset high transportation costs. Excess goods, such as fertilizers, feed grains and hay could also be bought and stored for later distribution. Finally, machinery that is used at limited times during the year could also be owned collectively, including a fertilizer applicator, grain dryer, and land breaking equipment.

Yukon people involved in agriculture have difficulty obtaining farm equipment, parts, and services. Parts could be bought through a cooperative to shorten the delay currently being experienced. A service industry for farm equipment is needed and could be developed along with the agricultural industry.

Despite the advantages of producer co-operatives, a number of constraints are associated with the implementation of this option. Primarily, the distance between farms limits the exchange of equipment. The small number of producers in the Yukon further detracts from the overall viability of the co-operative.

8. Provide a more continuous supply of crops through adequate storage facilities.

Horticultural crops are produced on a seasonal basis and consequently reach the market within a relatively short time frame. This oversupply tends to reduce the price of the crops. As well, it is difficult to establish a good working relationship with retailers who demand a reliable and stable supply throughout the year.

Vegetables that tend to last longer could be taken off the market during harvest time and stored for future distribution. In addition to increasing the returns to the farmer, more adequate storage would enable local stores to supply certain vegetables over a longer period of time. Suitable crops could include potatoes, cabbages, turnips, and onions. The capacity of the storage facilities should be large enough to accommodate future production levels.

A variety of storage facilities is worth considering. On-farm storage may be useful in situations where crops are grown close to the market. Future plans may include a central storage facility in the event that production levels increase significantly, and occur at some distance from the market. Locating these facilities closer to the market would provide additional savings in transportation costs. As Whitehorse provides the largest market in the Yukon, producers would benefit from locating near this city.

9. Develop a co-operative marketing strategy.

Produce should be supplied and delivered on a reliable and regular basis. During the summer months, when demand for produce is high, grocers require a large supply. To facilitate the sale and distribution activities, a committee which represents the producers, government and marketers could be formed. In addition to coordinating the establishment of a Farmers Market, such a committee could provide marketing information and education to the producers and the retailers.

10. Develop grading standards for animal and plant products sold in the market.

Standards and regulations, which are understood by both the producer and the consumer, need to be developed. Producers require standards to sell their products on the market, and consumers prefer some assurance of product quality.

Tourism

What we have

Tourism is a significant stabilizer in the Yukon economy. It employs approximately 15% of the total labour force and contributed approximately $91 million in 1986. A number of sectors benefit from the industry; however, benefits are most evident in the service sector. Tourists' purchases of consumer goods (i.e. food, supplies, gas and souvenirs) and services (i.e. accommodation, guided trips, restaurants, etc.) support a variety of small businesses. These purchases, in turn, produce spinoffs to other industries. For example, in 1986 there was more than $8 million worth of tourism-related construction in the territory. As well, in that same year there were 81 existing tourist accommodation establishments operating year round.

The tourism industry is largely seasonal with the majority of visitors arriving during the summer months. In 1986 almost 80% of all visits occurred between the end of May and the first of September, with more than one-quarter occurring during the month of July.

There were 486,403 border crossings during 1986. Almost 90% of these were by travellers in personal cars or recreational vehicles. It is estimated that 65% of these were from the United States, 26% from other regions of Canada, 6% from Europe, and 3% from elsewhere. Overseas travellers include those from West Germany, Switzerland, Australia, the U.K., New Zealand, France, Austria and Italy. Typically, Canadian tourists

arrive from Ontario and the western provinces. While information such as the average length of stay is currently unavailable, the 1987 visitor exit survey is expected to produce these data. The Yukon is not a tourist destination point for many travellers. Rather, these travellers are frequently enroute to Alaska. In an effort to service this transient market, the majority of the tourist facilities are concentrated along the highway corridors.

In summary, tourism is an important and growing part of the Yukon's economy. Although seasonal in nature, it provides stable activity and benefits to many other sectors of the economy.

What we need

The Yukon Tourism Strategy was formally adopted in January of 1987. It is the result of discussions with industry representatives and the public which took place during 1986. There were three phases to the strategy; a review of the existing situation, an investigation of travel markets and segments, and the formulation of alternative strategies. The alternatives were discussed in October of 1986 and a draft strategy was prepared and presented to the public in November 1986. Implementation of the strategy is expected to include participants from government, industry, industry associations, financial institutions and the public.

The focus of the strategy is twofold: **to develop growth markets and to maintain existing markets.** A more clearly targeted approach to development and marketing efforts is required to expand and develop the tourism industry. A general marketing approach is expensive, difficult to monitor and lacks efficiency given the short tourist season.

Development and marketing efforts should be directed towards high return markets. This includes those market segments with high per diem expenditures and a large existing or potential market size. At the same time, **new program initiatives should not restrict existing successful programs.**

A more targeted approach, which identifies the Yukon as a destination point for specific markets is included in the strategy. Examples of such markets include sports, adventure tours and conventions.

Representatives believe **this industry should be developed in a way which benefits all Yukon communities.** People in communities outside Whitehorse and Dawson City express concern that tourism concentrates too heavily on the gold-rush and follies themes. **The industry should also be developed in a way which provides shoulder and off-season markets.** In extending the season, this would provide longer periods of employment in the industry.

Greater Indian participation in tourism should be encouraged. The Yukon Indian culture is of interest to many tourists, and participation in the industry would enable Indian communities to benefit from and have some control over the tourism activity in their areas.

The tourism industry would benefit from **increased professional training of those working within the industry.** A second requirement is for **continued evaluation of tourism programs.** Given the dynamic nature of the tourism industry, research and evaluation are required to realize the opportunities for development in the Yukon.

How to get there

1. Implement a series of marketing directions.

A number of directions can be developed to guide marketing activities and expand the industry. Such directions include supporting the "Magic and the Mystery" theme, stressing quality and value for money, promoting the image of a warmer Yukon, stressing the beauty and accessibility of the landscape, emphasizing the quality and quantity of Yukon roads, and presenting the Yukon experience as a northern adventure. These marketing directions reflect an effort to provide new information to tourists who may have preconceived notions of the Yukon and its climate. Concern exists that marketing strategies and advertisements may be misleading, resulting in disappointment and frustration for visitors. A

periodic assessment of facilities could help ensure that the services and standards are equal to those advertised.

Marketing efforts could both promote the Yukon as a destination point and encourage repeat visitors. While many community representatives feel that the Yukon will continue to be a "drive through" experience for many tourists, others recognize a potential to encourage tourists to stay a little longer. Such efforts require the development of local attractions and events. The promotion of the Yukon's heritage and culture would help as would cooperative marketing with Alaska, British Columbia and the Northwest Territories.

2. Provide training opportunities in the tourism industry.

Industry representatives and the public agree that a need exists for increased training in the industry. Well-trained people help to ensure that tourists gain maximum enjoyment from their experience. More training provides both increased numbers of skilled individuals within the industry as well as higher standards. A number of industry groups have reflected this need for increased training, including guides, wilderness operators and those involved in the commercial wildlife sector. The need for interpersonal and communication skills has been identified as extremely important. Other training includes bush-cooking, business courses, hotel/accommodation training, museum training and training in RV repair.

General courses or workshops are also required. This includes tourism marketing, financial management, supervisory skills and cross cultural training.

Public support exists for the provision of on-the-job-training opportunities. Subsidies and sponsorships may be needed to assist trainees who take courses. This is particularly important when courses are offered outside their home communities. These needs are particularly relevant to women who form a large part of the labour force within the industry. Further assistance to the industry could be provided and delivered by "hands on" business advisors.

3. Conduct research in the tourism industry.

Research would help to ensure that the industry develops in accordance with the needs of tourists. These needs may be identified through data which include visitor preferences, profiles and expenditure patterns. Further information which tracks tourists' activities, records highway counts, border crossings, campground use, sales of hunting and fishing licences, adventure travel bookings and attraction attendances is also required. Finally, information regarding participation in sporting events, tour bus activities and visitor enquiries are necessary to re-spond to the changing needs of tourists.

Effective marketing strategies, i.e. those which are able to attract visitors, require continual evaluation. Ongoing research is also needed to support community tourism planning activities.

4. Develop projects to meet tourist needs.

Facilities and attractions are needed in order to maintain the interest of tourists and to make their visits enjoyable. Independent recreational vehicle travellers, currently the largest segment of the market, appreciate upgraded campground and RV facilities and short half day or one day trips and activities. In addition, short side trips, improved directional and interpretive signs, walking tours along highways, Indian cultural activities or demonstrations, museums and other spectator activities could encourage these visitors to linger. Benefits to the communities include spending on supplies and souvenirs.

Some RV travellers fly into the Yukon and rent a vehicle. These travellers require similar facilities to those of independent RV travellers; however, larger RV fleets are required to fill the rental market.

People from a variety of occupations can be attracted to the Yukon through the convention market. Benefits from increased convention activity accrue to the restaurant and accommodation industry as well as local craft and souvenir stores. Day or weekend trips may also encourage further expenditures and longer stays by convention participants. Conventions can be accommodated in communities outside Whitehorse; the Dawson City Gold Show is such an example. More organized activities such as river cruises, glacier observation and day tours can be developed for tourists.

It is estimated that the adventure travel segment of the industry has the potential to double over the next ten years. The benefits of such an increase would be felt by guides and in the accommodation, food services, souvenir and equipment sales areas. Specialty boat tours and other touring packages, such as caribou viewing, could be developed to meet the needs of this specialized market. Sports fishing packages may also benefit travellers with specialized interests.

Organized and competitive sports and meets, such as curling, baseball, soccer and skiing attract visitors and can benefit the industry.

Developments in accommodation, attractions, information, community and environmental enhancements, including improved road signs and additional arts and crafts centres and tour operations, may all contribute to the growth of the industry. Indian participation in the industry is also identified as important. Increasing the range of opportunities and experiences available to tourists will help to ensure that visitors get the most out of their stay in the Yukon.

Trade and Services

What we have

The service-producing industries include transportation, communications and other utilities; trade; finance, insurance and real estate; community, business and personal services; and public administration. Within this sector the Government plays a dominant role in such areas as road maintenance, health and education, and utilities. The tourist industry also affects service industries providing revenue to retailers, accommodation and food service establishments, and transportation businesses.

As in other regions of Canada, this service sector has grown considerably in recent years in the Yukon. Today it represents a larger share of the workforce than it does in other jurisdictions, accounting for 77% of the labour force in 1981. In 1985, this sector accounted for 87% of the wages earned in the Yukon. As well, over 80% of women's employment has traditionally been in this sector.

This section will not address the entire service sector of the economy, but, rather, will focus on wholesale and retail trade and business and household services. Tourism, because of its particular significance to Yukon economy, is dealt with separately, and the food and accommodation services are included there. Also, utilities, transportation, finance and communications are dealt with in other parts of this report.

While the retail and wholesale trade and business and household services are somewhat dependent for their health on activity in the overall economy, there are pronounced differences in the issues the two areas face. Consequently, recommendations

to guide the development of the two areas differ considerably. They are, therefore, examined separately.

Wholesale and Retail Trade

The territory's wholesale trade is closely linked to industrial and government activity, while retail trade primarily serves households and non-residents. In 1985, wholesale and retail trade combined accounted for 13% of all service-producing salaries and wages, and 19% of the employment in the services industry.

The major wholesale products include coal and coke, petroleum products, general merchandise, motor vehicles and general machinery and equipment products. Most wholesale businesses employ between five and nine employees and the split between local and non-local ownership is about equal. Employment in the wholesale trade declined between 1981 and 1985, and a large proportion of the wholesale trade is now government based.

The retail trade includes establishments offering general merchandise, foodstuffs, tires and batteries, motor vehicles, and clothing. The number of gas stations and jewelry stores reflects important links with the tourist and transportation industries. The retail trade in the Yukon has a very high level of local ownership, and includes a large group of very small owner operated outlets, and a number of larger establishments selling a wide range of products. The greatest proportion of retail expenditures which totalled $146 million in 1986, were made in food stores (for both food and non-food items) followed by general merchandise.

The territory's retailers depend heavily on the local residential and institutional markets. Tourist business also supports the sector on a seasonal basis. The major competition is seen to be from southern retail outlets and mail order services. Retailers themselves see the potential for growth to be largely dependent on the health of the overall economy.

Household and Business Services

There are few strictly household services in the Yukon. Most of these are provided by small contractors who also undertake work for business and Government. These businesses include accounting, janitorial, and engineering firms, travel agencies, computing, as well as printing and general consulting services. The market for Yukon businesses is mostly in the NWT, northern British Columbia and, of course, the Yukon. Within these markets the major competition comes from southern companies. Government, however, is a major and stable client. It is difficult to ascertain the size and significance of the industry because statistics reflecting household and business services alone are not readily available. It is worth noting that this sector of the economy has been growing extremely rapidly in Yukon as it has been elsewhere in Canada. Analysts suggest this growth reflects fundamental changes in Canada's economy as it moves towards the post-industrial or information age.

What we need for wholesale and retail trade

Discussions with retailers suggest that many purchase their supplies from non-Yukon wholesalers. This indicates a need **to encourage greater local support for wholesalers by fostering discussion and information exchange between wholesalers, retailers and manufacturers.** This would help to ensure that Yukon manufacturers, wholesalers and retailers can meet each other's requirements and work together to satisfy the market's needs.

The Yukon Government's role in the trades industry is perceived to be similar to its relationship to other private industries in the Yukon, that is **to support the industry and its development without encouraging unfair competition.** Subsidizing some businesses in preference to others allows some businesses to develop their marketing and other strategies unfairly, and limits the potential competition in the marketplace.

How to get there

1. Encourage the upgrading of shopping districts in consultation with the business community.

The development of more attractive shopping districts would increase patronage of local stores. Whitehorse retailers have noticed an increase in business since Main Street was made more attractive. They suggest that the new surroundings encourage walking traffic and entice tourists from their hotels to shop. Industry representatives believe that the improving shopping districts in one part of town will encourage the upgrading of others, thereby fostering local pride. Because

the effects of its implementation would be felt almost immediately, the enhancement of retail areas is a priority to retailers.

2. Promote the role of the Business Development Office as an advisor to business on business issues.

Business people can benefit from practical advice and education on business issues that affect them. But rural businesses have traditionally found it difficult to access information and seminars readily available in Whitehorse. The Business Development Office has, however, field staff and the mandate to make it the ideal vehicle for the provision of business-related information and advice. Ideally, there should be a Business Development Officer in each community. Business Development Office staff currently give advice on specific business problems; however it should be possible for the staff to take a more "proactive" role in promoting its advisory services. As well the Business Development Office staff can use the Federal Business Development Bank as a resource when problems are beyond their expertise, but the Federal Business Development Bank does not have sufficient field-staff to address the needs of communities outside Whitehorse.

Other local agencies and departments can play an increased part in this area. The Chamber of Commerce is another resource that can provide business assistance in some areas, and the Department of Education's training strategy will provide ways to deliver training in communities according to the local needs and demand. Private sector banks should also be encouraged to provide an advisory role to business.

3. Provide rural communities with basic banking facilities.

Business development in the Yukon's smaller communities would be encouraged if basic banking facilities were provided. These would complement the financial services already available.

4. Foster discussions between the Yukon's retailers, wholesalers, manufacturers and distributors.

Yukon wholesalers, retailers, manufacturers and distributors would benefit were they to exchange information better. More specifically, manufacturers would benefit from feedback from retailers and wholesalers, and retailers and wholesalers, in return, would have better access to local products that would meet market demands.

Encouraging local manufacturers to improve their products would indirectly help the retail and wholesale trade. Business representatives suggested therefore that more funding should be available to enable manufacturers and craftspeople to attend trade shows outside the Yukon to improve their skills and ideas. They could also benefit from courses delivered in Whitehorse and the communities to increase their skills, particularly in product design and marketing.

The Yukon Trade Show is a once-a-year opportunity for manufacturers to showcase their products for retailers and wholesalers. A reception or other event during the Trade Show could increase the information exchange between local retailers, wholesalers, distributors and manufacturers.

What we need for household and business services

Business and household services count the Government among their major clients; therefore the Government can have a major impact on the industry through its own contracting and administrative procedures. Business service representatives feel that **Government should further encourage this industry.** For example, the Government could adjust its procedures to encourage more local sourcing in contracting. It could also encourage joint work between local and non-Yukon consulting companies to develop the expertise of Yukon firms. Clearly, Government contracting procedures could be made more flexible to accommodate the needs of smaller local business contractors.

Business and professional services, such as engineering firms, have information requirements that are difficult to meet in the absence of technical libraries and other locally accessible information sources. The strengthening of information links would benefit the industry, but representatives believe that the Government's role is to improve access to local or Government information — not to subsidize links to out-of-Yukon data sources for private sector companies.

How to get there

1. Examine the potential for more flexible government contracting guidelines.

Representatives of the services industry recognize the impact of government policies and procedures on their operations. The Government, as one of the industry's major clients,

could encourage its growth by adapting its contracting policies to better suit the context in which the industry operates. For example, contracting procedures could be tailored to the capabilities of the industry by permitting longer timelines for smaller local contractors. Also it could break larger contracts down into smaller components. This work could also be phased over time.

2. Advertise tenders in local newspapers only.

Consistent guidelines could be adopted which define what government work is tendered locally and what is not. Local businesses should have greater opportunities than southern businesses to tender for Yukon contracts. This could be done by advertising tenders in local newspapers only.

3. Make information available about upcoming projects in advance.

Local contractors, because they are often small firms with few staff, need time to prepare bids and proposals. Advance information about upcoming projects would assist them to better plan their activities over the long term.

4. Develop a business incentive policy for consulting services.

The Yukon Government's business incentive policy provides bidding advantages to local companies registered with the government. Consulting services are specifically excluded from this policy, but this "competitive edge" would also help consulting firms to compete with southern companies which often have a lower overhead. The increased use of local companies would decrease costs for airfare and other travel expenses that are incurred when southern firms are used. Local companies are also better able to provide follow-up services. Business representatives pointed out that the encouragement of "local content" has sometimes resulted in southern based companies establishing Yukon offices specifically for the purposes of bidding on local contracts. Some representatives feel this is not a healthy development and they suggest Yukon-ownership or "value-added" provisions in contracting policies need developing.

5. Encourage southern-based consulting firms to work with local companies when undertaking Yukon Government projects.

This could significantly increase the specialised expertise within the local industry by encouraging information transfer. This action would also promote awareness of the expertise that is available locally. The provision of a financial "edge" to non-Yukon companies hiring Yukon people would encourage this transfer of information.

Representatives feel that local expertise is often overlooked and that it could perhaps be marketed more effectively. Also "team proposals" could promote better use of local resources.

6. Develop a local business hire policy for major projects receiving significant Yukon Government contributions.

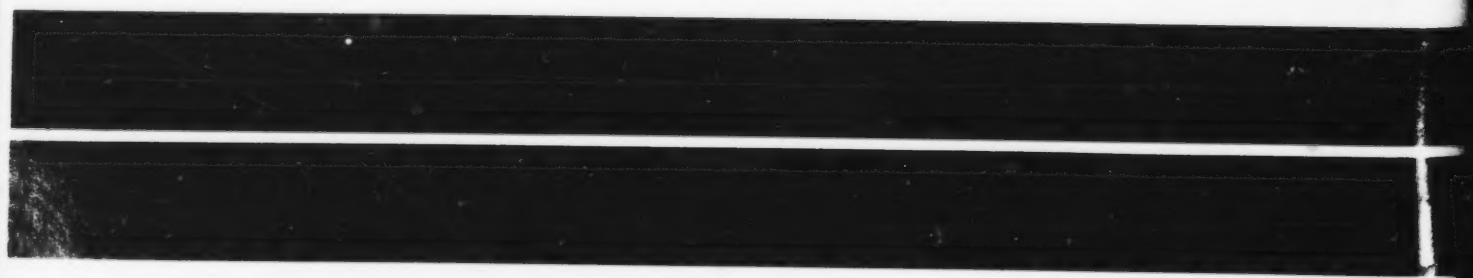
This could substantially increase the participation of local businesses in major projects. A local hire and purchase practice should be followed for major projects which receive significant Government funding; monitoring and enforcement of local hire and purchase should also occur. This suggestion is strongly supported by industry representatives.

7. Work with the industry in examining its information needs.

The business service industry has enormous information needs; it especially needs access to technical data. Access to technical information both within the Yukon and between the Yukon and other jurisdictions could be provided through a central coordinated retrieval and distributions system. Within government, non-confidential data from government departments, the archives, and Library Services could be coordinated and then accessed by the industry. While representatives recognize the need for information, they feel that Government should not subsidize data links for private industry.

8. Ensure that there is no deterioration in the existing air service to the south and examine the potential for developing better east/west air service.

The adequacy of air transportation connections reflects another concern. The service industry relies quite heavily on transportation links to the south, for example to access specialised services and products that are not available locally. The limited east-west service restricts Yukon business access to markets in the NWT and Alaska. Air travel between points in the Yukon is a concern to the industry. Transportation is addressed by the infrastructure portion of this strategy, but its relevance to the services industry is important to note here also.



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